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NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2017

REPORT

[TO ACCOMPANY S. 2943]

ON

TO AUTHORIZE APPROPRIATIONS FOR FISCAL YEAR 2017 FOR MILITARY ACTIVITIES OF THE DEPARTMENT OF DEFENSE AND FOR MILITARY CONSTRUCTION, TO PRESCRIBE MILITARY PERSONNEL STRENGTHS FOR SUCH FISCAL YEAR, AND FOR OTHER PURPOSES

TOGETHER WITH

ADDITIONAL AND MINORITY VIEWS

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Calendar No. 469

114TH CONGRESS *2d Session* | SENATE | REPORT 114–255

TO AUTHORIZE APPROPRIATIONS FOR FISCAL YEAR 2017 FOR MILITARY ACTIVITIES OF THE DEPARTMENT OF DEFENSE, FOR MILITARY CONSTRUCTION, AND FOR DEFENSE ACTIVITIES OF THE DEPARTMENT OF ENERGY, TO PRESCRIBE MILITARY PERSONNEL STRENGTHS FOR SUCH FISCAL YEAR, AND FOR OTHER PURPOSES

MAY 18, 2016.—Ordered to be printed

Mr. MCCAIN, from the Committee on Armed Services, submitted the following

R E P O R T

together with

ADDITIONAL AND MINORITY VIEWS

[To accompany S. 2943]

The Committee on Armed Services reports favorably an original bill to authorize appropriations for fiscal year 2017 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes, and recommends that the bill do pass.

PURPOSE OF THE BILL

This bill would:

(1) authorize appropriations for (a) procurement, (b) research, development, test and evaluation, (c) operation and maintenance and the revolving and management funds of the Department of Defense for fiscal year 2017;

(2) authorize the personnel end strengths for each military active duty component of the Armed Forces for fiscal year 2017;

(3) authorize the personnel end strengths for the Selected Reserve of each of the reserve components of the Armed Forces for fiscal year 2017;

(4) impose certain reporting requirements;

(5) impose certain limitations with regard to specific procurement and research, development, test and evaluation actions

and manpower strengths; provide certain additional legislative authority, and make certain changes to existing law;

(6) authorize appropriations for military construction programs of the Department of Defense for fiscal year 2017; and

(7) authorize appropriations for national security programs of the Department of Energy for fiscal year 2017.

COMMITTEE OVERVIEW

For 54 consecutive years, the Senate Armed Services Committee has fulfilled its duty of producing the National Defense Authorization Act (NDAA). This vital piece of legislation authorizes the necessary funding and provides authorities for our military to defend the nation. And it is a reflection of its critical importance to our national security that the NDAA is one of few bills in Congress that continues to enjoy bipartisan support year after year.

The men and women of our Armed Forces—as well as the civilians and contractors who support them—have worked honorably and courageously to address the diverse and complex array of challenges to our national security, often at great personal risk and significant sacrifice to themselves and their families. The committee, Congress, and the American people owe them a debt of gratitude for this service.

The National Defense Authorization Act for Fiscal Year 2017 continues the committee's commitment to defense reforms that enable our military to rise to the challenges of a more dangerous world both today and in the future. The NDAA:

- Ensures the long-term viability of the All-Volunteer force by sustaining the quality of life of the men and women of the total force (Active Duty, National Guard, and Reserves) and their families, as well as Department of Defense civilian personnel, through fair pay, policies, and comprehensive reform of the military health system.
- Ensures that our men and women in uniform have the advanced equipment they need to succeed in future combat against technologically sophisticated adversaries, in the most efficient and effective manner that provides best value to the taxpayers.
- Reduces strategic risk to the nation and our military servicemembers by prioritizing the restoration the military's readiness to conduct the full range of its assigned missions as soon as possible.
- Addresses shortfalls in strategic integration at the Department of Defense identified by the committee's review of the Goldwater-Nichols Act by improving and sustaining the alignment of effort and resources across different regions, functions, and domains.
- Continues a comprehensive reform of the defense acquisition system designed to drive innovation and ensure accountability for delivering military capabilities to our warfighters on time, on budget, and as promised.
- Reduces excessive and wasteful spending to ensure every defense dollar is spent wisely.
- Enhances the capability of the U.S. Armed Forces and the security forces of allied and friendly nations to defeat ISIL, al Qaeda, and other violent extremist organizations.

• Advances our ability to establish deterrence and defend our allies and partners in Eastern Europe and the Asia-Pacific.

• Improves the ability of the Armed Forces to counter emerging and nontraditional threats, focusing on terrorism, cyber warfare, and the proliferation of weapons of mass destruction and their means of delivery.

SUMMARY OF DISCRETIONARY AUTHORIZATIONS AND BUDGET AUTHORITY IMPLICATION

The administration's budget request for national defense discretionary programs within the jurisdiction of the Senate Committee on Armed Services for fiscal year 2017 was $602.0 billion. Of this amount, $524.0 billion was requested for base Department of Defense (DOD) programs, $19.2 billion was requested for national security programs in the Department of Energy (DOE) and the Defense Nuclear Facilities Safety Board (DNFSB), and $58.8 billion was requested for Overseas Contingency Operations (OCO).

The committee recommends an overall discretionary authorization of $602.0 billion in fiscal year 2017, including $523.9 billion for base DOD programs, $19.2 billion for national security programs in the DOE and the DNFSB, and $58.9 billion for OCO.

The two tables preceding the detailed program adjustments in Division D of this bill summarize the direct discretionary authorizations in the committee recommendation and the equivalent budget authority levels for fiscal year 2017 defense programs. The first table summarizes the committee's recommended discretionary authorizations by appropriation account for fiscal year 2017 and compares these amounts to the request.

The second table summarizes the total budget authority implication for national defense by including national defense funding for items that are not in the jurisdiction of the defense committees or are already authorized.

BUDGETARY EFFECTS OF THIS ACT (SEC. 4)

The committee recommends a provision that would require that the budgetary effects of this Act be determined in accordance with the procedures established in the Statutory Pay-As-You-Go Act of 2010 (title I of Public Law 111–139).

DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

Subtitle A—Authorization of Appropriations

Authorization of appropriations (sec. 101)

The committee recommends a provision that would authorize the appropriations for procurement activities at the levels identified in section 4101 of division D of this Act.

Subtitle B—Army Programs

Distributed Common Ground System-Army (sec. 111)

The committee is aware that the Distributed Common Ground System (DCGS) is a multi-service program that is intended to provide a family of fixed and deployable multi-source ground processing systems that support a range of United States Air Force, United States Navy and United States Army intelligence, surveillance, and reconnaissance systems. The United States Army system, DCGS–A, is the primary system for posting of data, processing of information, and disseminating intelligence, surveillance and reconnaissance information about the threat, weather, and terrain. The system contributes to visualization and situational awareness, thereby enhancing tactical maneuver, maximizing combat power and enhancing soldiers' ability to operate in an unpredictable and changing environment. DCGS–A is fielded at echelons that range from fixed sites, corps, division, brigade combat team (BCT), and battalion levels. Since 2007 the total program cost is in excess of $3.0 billion dollars. Costs to complete the program are estimated to be in excess of an additional $7.0 billion dollars. DCGS–A, Increment 2, intended to correct many identified problems, is in source selection.

The committee notes that DCGS–A is operationally suitable and effective when operating from fixed sites and providing direct support to operational and strategic forces. However, the committee also notes that DCGS–A is not suitable or effective in providing a reliable capability to tactical forces operating in the field. Army BCTs and battalions are required to improvise to overcome unreliable hardware and complex software. Operator knowledge and proficiency is low because of this complexity. Unit readiness is adversely impacted.

The committee recommends a provision that would require the Secretary of the Army to take action to improve training of DCGS–A operators and their leaders at division and below echelons. Secondly, the Secretary of the Army should rapidly identify and field

an effective, suitable and survivable solution for division and below tactical units. The Secretary of the Army shall acquire a commercially available off the shelf, non-developmental capability that: meets essential tactical operational requirements for processing, analyzing and displaying intelligence information; is substantially easier for personnel in tactical units to use; and requires less training. The Secretary of the Army may not award any contract or expend any funds for the design, development, procurement, or operation and maintenance of any data architecture, data integration, "cloud" capability, data analysis, or data visualization and workflow capabilities, including various warfighting function-related tools under or contributing to any increment of the distributed common ground system of the Army for tactical units at division or below unless the contract is awarded not later than 180 days after the date of the enactment of this Act and uses procedures relating to the acquisition of commercial items pursuant to part 12 of the Federal Acquisition Regulations (48 CFR 12.000 et seq.), and the contract uses firm fixed-price procedures. In addition, the technology to be acquired will begin initial fielding rapidly after the contract award; achieve Initial Operating Capability (IOC) within 9 months of the contract award; and achieve Full Operating Capability (FOC) within 18 months of the contract award.

Multiyear procurement authority for UH–60M/HH–60M Black Hawk helicopters (sec. 112)

The committee recommends a provision that would allow the Secretary of the Army to enter into a multiyear contract for UH–60M/HH–60M Black Hawk helicopters for fiscal years 2017 through 2021. The proposed multiyear procurement will produce significant savings and facilitate industrial base stability.

The UH–60M/HH–60M Black Hawk is a core aviation program and is approved for full-rate production through the future years defense program. If the proposal is approved, the Army buy will consist of 193 UH–60M aircraft and 75 HH–60M aircraft between fiscal years 2017 and 2021. The Navy is not expected to participate in this multiyear procurement. The request for proposal solicitation was released with a minimum quantity of 36 helicopters per year and a base quantity of 50 helicopters per year with options to increase the maximum quantity to 72 helicopters per year.

Multiyear procurement authority for AH–64E Apache helicopters (sec. 113)

The committee recommends a provision that would allow the Secretary of the Army to enter into a multiyear contract for AH–64E Apache helicopters for fiscal years 2017 through 2021. The proposed multiyear procurement will produce significant savings and facilitate industrial stability.

The AH–64E is a core aviation program and is approved for full-rate production through the current future years defense program. The minimum need for the AH–64E is not expected to decrease during the contemplated multiyear procurement period.

If the proposal is approved, the Army buy will consist of 275 AH–64E Apache helicopters between fiscal years 2017 and 2021. The request for proposal (RFP) was released with a minimum quantity

of 46 per year, with options for remanufactured quantities up to 75 per year. The RFP included new build quantities, as a contract option, of up to 30 per year. In no year would total quantities of remanufactured and new build aircraft exceed 90 per year.

Subtitle C—Navy Programs

Incremental funding for detail design and construction of LHA replacement ship designated LHA–8 (sec. 121)

The committee recommends a provision that would allow the Secretary of the Navy to enter into and incrementally fund a contract for detail design and construction of the LHA Replacement ship, designated LHA–8. Subject to the availability of appropriations, funds for payments under the contract may be provided from amounts authorized to be appropriated for the Department of Defense for Shipbuilding and Conversion, Navy, for fiscal years 2017 and 2018.

Littoral Combat Ship (sec. 122)

The committee recommends a provision that would require an annual report on Littoral Combat Ship (LCS) mission packages, a certification on the acquisition inventory objective of LCS mission packages, a limitation on the use of funds to revise or deviate from revision three of the LCS acquisition strategy, and a repeal of a reporting requirement related to LCS mission modules.

The committee is concerned with the volume and complexity of LCS mission package testing that remains to be completed. Since 2009, the surface package has been delayed by 2 years, the anti-submarine package by 3 years, and the mine countermeasures package by at least 8 years. Significant design, testing, integration, and deployment challenges must be overcome before the promised LCS warfighting capability is realized.

Therefore, the committee directs the Secretary of the Navy to submit a report on LCS mission packages, annually, with the President's budget request. For each mission package and increment therein, the report would include: (1) a description of the current status of and plans for development, production, and sustainment; (2) a description, including dates, for each developmental test, operational test, integrated test, and follow-on test event completed in the preceding fiscal year, forecast to be conducted in the current fiscal year, and in each of the next 5 fiscal years; (3) the planned initial operational capability (IOC) date and a description of the performance level criteria that must be demonstrated to declare IOC; (4) a description of systems that reached IOC in the preceding fiscal year and the performance level demonstrated versus the performance level required; (5) the acquisition inventory objective listed by system; (6) the current locations and quantities of the individual systems listed by city, state, and country; and (7) the planned locations and quantities of systems listed by city, state, and country in each of the next 5 fiscal years.

Since 2007, the committee notes the program of record has required 64 LCS mission packages, including 16 for anti-submarine warfare (ASW), 24 for mine countermeasures (MCM), and 24 for surface warfare (SUW). Several major program changes have oc-

curred since this program of record quantity was established to support 52 LCS, including: a revised acquisition strategy that reduces procurement to 40 ships, the decision to modify at least 12 LCS to a frigate design that includes LCS ASW and SUW mission package systems permanently installed, and a Remote Minehunting System Independent Review Team recommendation to exercise MCM capability from platforms other than LCS. Therefore, the committee recommends the Undersecretary of Defense for Acquisition, Technology, and Logistics recertify the LCS mission package program of record and submit this certification with the President's budget request for fiscal year 2018.

The committee also notes that on March 29, 2016 revision three of the LCS acquisition strategy was approved by Under Secretary of Defense for Acquisition, Technology, and Logistics Frank Kendall. This revision was approved on February 19, 2016 by Assistant Secretary of the Navy (Research, Development & Acquisition) Sean Stackley and supports the President's fiscal year 2017 budget request. This revision plans to continue the procurement of both LCS designs in fiscal year 2017 in preparation for the down select to a single variant and transition to the frigate as early fiscal year 2018, but no later than fiscal year 2019. It also plans to procure LCS/frigate ships through fiscal year 2025 for a total inventory of 40 ships. As the Secretary of Defense testified on March 17, 2016, ". . . we're investing in LCS and frigates because we need the capability they provide, and for missions like minesweeping and antisubmarine warfare, they're expected to be very capable. The department's warfighting analysis called for 40 small surface combatants, so that's how many we're buying . . . While this will somewhat reduce the number of LCS available for presence operations, that need will be met by higher-end ships . . . Under this rebalanced plan, we will still achieve our 308-ship goal within the next five years, and we will be better positioned as a force to effectively deter, and if necessary defeat, even the most advanced potential adversaries." Therefore, the committee requires, should the Secretary of Defense deem changes necessary, that the Secretary submit a waiver justification prior to revising or deviating from revision three of the LCS acquisition strategy. The waiver would be required to include the following related to such revision or deviation: the rationale, a determination that it is in the national security interest, a description of the changes, the resulting acquisition strategy, and independent cost estimates that compare the changes to revision three of the LCS acquisition strategy.

The committee notes section 126(b) of the National Defense Authorization Act for Fiscal Year 2013 (Public Law 112–239) requires a quarterly report on LCS mission modules. This reporting requirement is addressed in subsection (a) of this provision. Therefore, the committee recommends striking subsection (b) of section 126 of the National Defense Authorization Act for Fiscal Year 2013 (Public Law 112–239).

Additionally, the committee recommends initiating or continuing the Joint Capabilities Integration and Development System analysis necessary for future surface combatants, including the LCS replacement. It is essential that a follow-on small combatant be developed and procured starting in the 2020s to replace LCS, which

begins retiring in the early-2030s. The committee believes the analytical assumptions for the follow-on small surface combatant must address the capability and survivability shortfalls of LCS in a high threat environment, including the ability to: attack enemy surface ships at over-the-horizon ranges with multiple salvos, defend nearby noncombatant ships from air and missile threats as an escort, conduct long-duration escort or patrol missions without frequent refueling, and be built to Navy level one survivability design standards.

Certification on ship deliveries (sec. 123)

The committee recommends a provision that would require the Secretary of the Navy to deem ship delivery to occur at the completion of the final phase of construction. The Secretary would be required to submit a certification to the congressional defense committees not later than January 1, 2017 that certifies ship delivery dates have been adjusted, including the ship hull numbers and delivery date adjustments. The adjustments would be reflected in the budget of the President submitted under section 1105(a) of title 31, United States Code, as well as Department of Defense Selected Acquisition Reports.

The committee notes that justification materials, which accompanied the President's fiscal year 2016 and 2017 budgets, as well as Department of Defense Selected Acquisition Reports for the CVN–78 class aircraft carrier program, list the delivery date of USS *John F. Kennedy* (CVN–79) as June 2022. However, the Navy plans to deliver this ship in two phases. Phase I delivery, scheduled to complete in June 2022, will deliver the ship with full propulsion capability, aircraft launch and recovery systems, and safe to sail navigation systems. Phase II delivery, scheduled to complete in September 2024, will add the remaining electronics and ordnance equipment, including the Ship Self-Defense System, weapons systems, and Enterprise Air Search Radar. The committee believes CVN–79 delivery should be deemed to occur at the end of Phase II delivery.

Similarly, the committee understands all three ships in the *Zumwalt*-class will employ a dual delivery approach with hull, mechanical, and electrical (HM&E) systems delivery at the shipbuilder in Maine and combat systems activation in California. In the case of USS *Zumwalt* (DDG–1000), HM&E delivery is scheduled for 2016 and combat systems activation is scheduled for 2018. The committee notes the President's fiscal year 2017 budget lists April 2016 as the delivery date. The committee believes *Zumwalt*-class delivery should be deemed to occur at the completion of the dual delivery approach, following combat systems activation.

The committee is concerned the variance in the Navy's definition of ship delivery may obscure oversight of the program's schedule, including whether or not a project has breached its threshold delivery date. The committee is also concerned Navy ships are being delivered in various degrees of completion and then, after a period of availabilities and shakedowns, possibly several years later, the ship is delivered to the fleet for operations. CVN–79 and the *Zumwalt*-class programs illustrate this practice.

Therefore, the committee also directs the Comptroller General of the United States to submit a report, not later than March 1, 2017, that includes analysis and recommendations regarding the Navy's process for fully delivering ships from the time the Navy takes custody of the vessel until the vessels are fully complete and ready for operations. This review should examine the Navy's cost and schedule milestones throughout this process and how these milestones are reported to decision makers and oversight agencies. The review should also propose a common definition and criteria for Navy ship deliveries, including the associated dates.

Limitation on the use of sole source shipbuilding contracts (sec. 124)

The committee recommends a provision that would prohibit funds from being used to enter into or prepare to enter into sole source contracts for one or more Joint High Speed Vessels (JHSV) or Expeditionary Fast Transports (EPF) unless the Secretary of the Navy submits to the congressional defense committees a certification and a report.

The committee notes appropriations have been made in the past 2 years for JHSVs (now called EPFs) that were not requested by the President's budget or authorized by a National Defense Authorization Act. Since 2011, the Navy requirement for EPFs has been 10 ships. In 2013, this requirement was met with the procurement of the tenth EPF and the Navy planned to shut down the production line. Without an authorization or request in the President's budget, procurement of an eleventh EPF at a cost of $200.0 million was inserted in the Department of Defense Appropriations Act for Fiscal Year 2015 (Public Law 113–235). Again without an authorization or request in the President's budget, a twelfth EPF was inserted at a cost of $225.0 million in the Department of Defense Appropriations Act for Fiscal Year 2016 (Public Law 114–113). Both of these EPFs were awarded to a single shipbuilder with no competition on a sole source contract.

Therefore, this provision would require the Secretary of the Navy to submit a certification that, beginning with the EPF designated EPF 11, a sole source contract for one or more EPFs: (1) is in the national security interest of the United States; (2) will not result in exceeding the requirement for the ship class, as delineated in the most recent Navy Force Structure Assessment that currently stands at 308 ships, including 10 EPFs; (3) will use a fixed price contract; (4) will include a fair and reasonable contract price as determined at the discretion of the Service Acquisition Executive; and (5) will provide for government purpose data rights of the ship design.

In addition, the Secretary of the Navy would also be required to submit a report that includes: (1) the basis for awarding a noncompetitive sole source contract and (2) a description of courses of action to achieve competitive ship or component-level contract awards in the future, should additional ships in the class be procured, including for each such course of action, a notional implementation schedule and associated cost savings, as compared to a sole source award.

Limitation on availability of funds for the Advanced Arresting Gear program (sec. 125)

The committee recommends a provision that would restrict the obligation or expenditure of amounts authorized to be appropriated by this Act or otherwise made available for fiscal year 2017 for research and development, design, procurement, or advanced procurement of materials for the Advanced Arresting Gear (AAG) to be installed on USS *Enterprise* (CVN–80) until the Secretary of Defense submits to the congressional defense committees the report required under section 2433a(c)(2) of title 10, United States Code, commonly referred to as a Nunn-McCurdy certification, for the AAG program.

The provision would also direct the Secretary of Defense to deem the 2009 AAG acquisition program baseline as the original baseline estimate and to execute the requirements of sections 2433 and 2433a of title 10, United States Code, as though the Department had submitted a Selected Acquisition Report with this baseline estimate included. This subsection provides clarity on the original baseline estimate, which is a necessary element of a Nunn-McCurdy review.

The committee remains concerned with the current cost, schedule, and performance of the AAG program, which is on the critical path for the Navy's newest aircraft carrier, USS *Gerald R. Ford* (CVN–78). The committee finds the AAG program has exceeded the program acquisition unit cost (PAUC) critical cost growth thresholds as prescribed in section 2433 of title 10, United States Code.

In 2009, the Navy reported what the committee understands to have been the last AAG acquisition program baseline (APB), which estimated AAG costs of: $331.0 million for development, $145.0 million for procurement, and a program acquisition unit cost of $123.0 million.

In 2013, the program breached the major defense acquisition program (MDAP) threshold at which time the program should have been re-designated as an MDAP with a new APB. However, the Department did not take these actions. According to the Government Accountability Office (GAO), AAG breached the MDAP development threshold by November 2013 with estimated costs of: at least $480.0 million for development, $503 million for procurement, and a program acquisition unit cost of $246.0 million. Although the Navy re-designated AAG as an MDAP (ACAT 1C) in July 2015, the Navy still has not updated the APB or begun submitting Selected Acquisition Reports.

In February 2016, the President's budget request for fiscal year 2017 estimated AAG costs of: $927.0 million for development, and $483.0 million for procurement, from which the committee calculated a program acquisition unit cost of $353.0 million.

In April 2016, Navy officials provided the committee with an update, estimating AAG costs of: $1.3 billion for development, from which the committee calculated a program acquisition unit cost of $446.0 million.

For the purposes of this provision, the committee considers the 2009 APB to constitute the original baseline estimate and the November 2013 GAO reporting to constitute the current baseline estimate. As a result, through February 2016, the committee finds the

program acquisition unit cost has risen $230.0 million, or 186 percent compared to the original baseline estimate, and $107.0 million, or 43 percent, compared to the current baseline estimate. Based on both percentage increases, the committee finds the AAG program has exceeded the PAUC critical cost growth thresholds as prescribed in section 2433 of title 10, United States Code, warranting a Nunn-McCurdy review.

The committee is also concerned by other elements of the AAG program.

First, the system development and demonstration contract schedule for delivery has more than quadrupled in length, while the AAG promised capability has yet to materialize.

Second, a critical element of the Navy's business case for AAG was an ability to land the next generation of aircraft, both heavier and lighter than those in service today. A more sensitive braking system—featuring a water twister to absorb 70 percent of the force—would recover these new aircraft safely and with less unnecessary stress. Facing persistent delays in software development, the committee notes that in February 2016, the Navy authorized an easing of these requirements to: (1) meet just the legacy Mark 7 operating envelope, (2) eliminate the requirement to backfit *Nimitz*-class carriers with AAG, and (3) redefine what constitutes initial operational capability for AAG.

Third, the committee understands a fatigue life review of the water twister is on-going and may result in the need for a significant re-design of components in order to meet the requirement for a service life of 25 years, which Navy officials acknowledge it cannot currently meet. The Navy has already procured AAG systems for the first two *Ford*-class ships, which will require additional effort and cost to re-design and fix.

Fourth, the committee is concerned by the 18-month delay to redesignate AAG as an MDAP and the continued delay updating the APB and issuing Selected Acquisition Reports.

Fifth, delays at the AAG land-based test site and with software development for recovering the full range of carrier air wing aircraft are unacceptable. In September 2015, Navy officials informed the committee that aircraft would be landing at the test site by the end of 2015. As of April 2016, this event has yet to occur.

Sixth, as the Director of Operational Test and Evaluation has noted in his annual reports, the reliability data the Navy is collecting is still not sufficient to determine if the mean time between failures will be acceptable. Additionally, the committee is concerned that high cycle testing—which is necessary to understand system performance under more realistic operational tempo—will not occur at the land-based test site until fiscal year 2018.

Seventh, the committee understands that in January 2015 the Navy considered using the legacy Mark 7 arresting gear for USS *John F. Kennedy* (CVN–79) instead of AAG, but decided to continue with AAG, in part because the installation of the Mark 7 was estimated to cost $87.0 million more than AAG. This appears to be a shortsighted decision given the extraordinary and continuing development delays and cost growth, including more than $500.0 million since this decision was made in February 2015.

The committee believes the Navy must pause and reconsider the way ahead, including the best business case, for the arresting gear on CVN–79 and CVN–80, and notes the Navy has already begun such a review. The committee believes returning to a variant of the Mark 7 arresting gear is a viable option that should be considered. The committee encourages the Navy to maximize competition and ensure government data rights of AAG, as well as of any other arresting gear that may be pursued.

Therefore, the committee directs the Secretary of Defense to conduct a reassessment of the AAG program, in accordance with sections 2433 and 2433a of title 10, United States Code.

Limitation on procurement of USS *John F. Kennedy* (CVN–79) and USS *Enterprise* (CVN–80) (sec. 126)

The committee recommends a provision that would limit more than 25 percent of funds authorized to be appropriated by this Act or otherwise made available for fiscal year 2017 for advance procurement or procurement of USS *John F. Kennedy* (CVN–79) or USS *Enterprise* (CVN–80) from being obligated or expended until the Secretary of the Navy and Chief of Naval Operations submit a report to the congressional defense committees.

The committee notes the progress that has been made in controlling the cost of the Ford-class aircraft carrier program. In fiscal year 2008, the cost estimate of CVN–78 was $10.5 billion, CVN–79 was $9.2 billion, and CVN–80 was $10.7 billion. In fiscal year 2015, these estimates had risen to $12.9 billion, $11.5 billion, and $13.9 billion, respectively. In the fiscal year 2017 budget request, the estimates stood at $12.9 billion, $11.4 billion, and $12.9 billion, respectively.

The Navy has largely attributed the progress made in arresting cost growth to "design for affordability" initiatives, which will improve efficiency and cost effectiveness in aircraft carrier construction. These initiatives require an investment of tens of millions of dollars to yield savings in excess of one billion dollars. The committee expects these initiatives to yield the projected savings and believes the Navy and industrial base are capable of achieving greater savings through these initiatives coupled with increased savings from: the *Ford*-class learning curve, CVN–80 repeating the design of CVN–79, and increased competition. To this end, the committee supported a series of provisions in the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92) that required reports on cost reduction opportunities for CVN–79 and CVN–80 (sec. 128), alternatives for the future development of aircraft carriers (sec. 128), and independent studies of fleet platform architectures (sec. 1067). The committee expects the Navy to leverage these reports in identifying further cost reduction options for aircraft carriers.

Therefore, the committee directs the Secretary of the Navy and Chief of Naval Operations to submit a report no later than December 1, 2016 that provides alternatives to achieve a CVN–80 procurement end cost of $12.0 billion. In addition, the report shall describe all applicable CVN–80 alternatives that could be applied to CVN–79 to enable an $11.0 billion procurement end cost. The provision also requires the Secretary of the Navy and Chief of Naval

Operations to provide annual progress reports compared to these end cost goals with the President's budget request.

Limitation on availability of funds for Tactical Combat Training System Increment II (sec. 127)

The committee recommends a provision that would limit the obligation or expenditure of 25 percent of the funds for the Tactical Combat Training System (TCTS) Increment II program until 60 days after the Secretary of the Navy submits the report on the TCTS II program required by section 235 of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92).

Subtitle D—Air Force Programs

Extension of prohibition on availability of funds for retirement of A–10 aircraft (sec. 141)

The committee recommends a provision that would amend section 142 of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92) by extending the prohibition on obligation or expenditure of funds to retire or prepare to retire A–10 aircraft until the Secretary of the Air Force and Chief of Staff of the Air Force submit a report to the congressional defense committees describing their views on the results of the F–35A initial operational test and evaluation (IOT&E). The provision would direct the Director of Operational Test and Evaluation to provide a report to the congressional defense committees that includes the results and findings of the F–35A IOT&E, and also ensures the inclusion of comparison tests and evaluation of the F–35A and A–10C in conducting close air support, combat search and rescue, and airborne forward air controller missions. The provision would also require submission of a plan by the Secretary and Chief of Staff for addressing deficiencies and corrective actions identified in the report, and short- and long-term strategies for preserving the Air Force's capability to conduct the close air support, combat search and rescue, and airborne forward air controller missions. Finally, the provision would direct the Comptroller General of the United States to assess the conclusions and assertions contained in the Secretary's and Chief of Staff's report on the F–35A IOT&E.

The committee understands the F–35A is scheduled to complete IOT&E by fiscal year 2019. The committee is concerned that while the Secretary of Defense announced on February 2, 2016, that the A–10 would be replaced "with F–35 Joint Strike Fighters on a squadron-by-squadron basis," the Air Force has announced its intention to start retiring A–10 aircraft in fiscal year 2018 even before the F–35A would complete IOT&E, and certainly before the F–35A could be certified as a viable replacement capability for the A–10 in its assigned missions.

To ensure realism under combat conditions, the committee directs the A–10C and F–35A comparative testing required under this provision to include, as a minimum, both pre-planned and emergency divert missions to address effectiveness in realistic, complex ground firefight scenarios. These scenarios must include simulated enemy forces in close proximity to friendly forces, where the pilot is required to visually identify the target and friendly

forces in day and night conditions; armored targets; scenarios requiring continuous weapons delivery, command and control, extended time over target, and simulated collateral damage restrictions; deception scenarios with degraded visual environments; low-altitude employment, including "shows of force" and strafe; survivability from simulated direct hits by small arms fire, light anti-aircraft artillery, and man-portable air defense systems; scenarios in which simulated aircraft systems are damaged or degraded; scenarios conducted without joint tactical air controller or higher headquarters control to test close air support aircraft suitability for airborne forward air controller de-confliction of fires; and scenarios including joint fires coordination and timing, including Joint Air Attack Team attacks with Department of the Army aviation assets and artillery de-confliction.

Combat search and rescue missions must compare effectiveness in the rescue mission commander role, coordinating all aspects of an extended combat search and rescue mission, and including as a minimum: locating, identifying, and protecting isolated personnel with continuous firepower, controlling other fighters as airborne forward air controller, coordinating electronic attack, intelligence, surveillance and reconnaissance, aerial refueling, command and control, and rescue platform escort.

Additionally, the committee expects the Secretary of the Air Force to provide the report required by section 142 of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92), due by September 30, 2016, and based on that report, the committee may take further action on options for authorizing an A–10 replacement program.

Limitation on availability of funds for destruction of A–10 aircraft in storage status (sec. 142)

The committee recommends a provision that would limit the availability of fiscal year 2017 funds for the purpose of scrapping, destroying, or otherwise disposing of any A–10 aircraft in any storage status in the Aerospace Maintenance and Regeneration Group (AMARG) that have serviceable wings or other components that could be used to prevent total active inventory A–10 aircraft from being permanently removed from flyable status due to unserviceable wings or other components.

The provision would also specify a notification requirement, and would require the Secretary of the Air Force to submit, with the fiscal year 2018 budget submission, and implement, a plan to prevent any total active inventory A–10 aircraft from being permanently removed from flyable status for unserviceable wings or any other required component over the course of the future years defense plan.

Repeal of the requirement to preserve certain retired C–5 aircraft (sec. 143)

The committee recommends a provision that would repeal the requirement in Section 141 of the National Defense Authorization Act for Fiscal Year 2013 (Public Law 112–239) for the Secretary of the Air Force to continue to preserve C–5 aircraft, which were retired by the Air Force during a period in which the total inventory

of strategic airlift aircraft was less than 301, in a storage condition that would allow recall of such aircraft to future service in the Air Force Reserve, Air National Guard, or active force structure.

The committee recognizes that 27 C–5A aircraft are being inducted into or currently maintained in Type 1000 recallable storage. This type of preservation is costly and prevents the cost-effective reuse of needed C–5 parts, especially parts with diminishing manufacturing sources, necessary to sustain the total active inventory C–5 fleet.

Repeal of requirement to preserve F–117 aircraft in recallable condition (sec. 144)

The committee recommends a provision that would repeal the requirement in section 136 of the John Warner National Defense Authorization Act for Fiscal Year 2007 (Public Law 109–364) to maintain F–117A aircraft in a condition that would allow recall of that aircraft to future service.

The committee recognizes that since this legislation was originally enacted, all F–22A program of record aircraft have been fielded, the Marine Corps has declared initial operational capability (IOC) of the F–35B fighter, and the Air Force is expected to declare IOC of the F–35A aircraft within its planned window of August to December 2016.

Limitation on availability of funds for EC–130H Compass Call recapitalization program (sec. 145)

The committee recommends a provision that would limit the availability of funds for an EC–130H Compass Call recapitalization program unless the Air Force conducts a full and open competition for the replacement aircraft.

The Senate report accompanying S. 2410 (S. Rpt. 113–176) of the Carl Levin National Defense Authorization Act for Fiscal Year 2015 (S. 2410) required the Secretary of the Air Force to develop and submit a plan to replace, modernize, or rehost the current Compass Call capabilities. Subsequently, section 143 of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92) required a plan for how the Air Force would recapitalize the capability requirement of the EC–130H Compass Call mission in the future, whether through a replacement program or by integrating such capabilities onto an existing platform.

The committee is encouraged that the Air Force has submitted a plan. The plan appears to support the Air Force's conclusions, as well as provide aircraft mission availability to the combatant commanders at rates at least equal to the current capability.

However, the committee is concerned by a significant shift in policy direction. In fiscal years 2015 and 2016, the Air Force felt compelled to quickly divest half of the EC–130H fleet with no plan for replacing that lost capability. This year, the Air Force proposed a plan that assumes replacing EC–130H capability is urgent, and that urgency does not allow enough time to conduct a full and open competition for the replacement platform.

The committee believes the Air Force's proposal to recapitalize the EC–130H Compass Call aircraft using a sole source purchase of ten business class aircraft would not give us any confidence that

the Air Force is achieving the maximum value for the American taxpayer. Additionally, allowing this sole source award to proceed could potentially prejudice source selections for other Air Force recapitalization programs, such as the program to replace the Joint Surveillance and Target Attack Radar System (JSTARS) aircraft.

Limitation on availability of funds for Joint Surveillance Target Attack Radar System (JSTARS) recapitalization program (sec. 146)

The committee recommends a provision that would limit the availability of fiscal year 2017 and beyond funds for the Joint Surveillance Target Attack Radar System (JSTARS) recapitalization program unless the contract for engineering and manufacturing development (EMD) uses a firm fixed price contract structure.

The committee believes a fixed price development and production contract structure is more appropriate for this program than a cost plus/incentive fee contract, as the program's aim is to integrate mission systems onto a commercial derivative aircraft, similarly to the KC–46A tanker recapitalization program.

The committee recognizes the JSTARS recapitalization program offers significant advantages: decreased logistics footprint, reduced sustainment costs, increased operational flexibility, and extended operations into anti-access/area denial environments. However, the committee does not believe the divestment of any E–8C aircraft prior to the JSTARS recapitalization program entering into low rate initial production is a prudent course of action toward meeting combatant commander warfighting requirements. The committee understands the Air Force is currently conducting a study, expected to be completed in March 2017, to determine the extent of fatigue damage or other structural integrity issues with the E–8C fleet.

The committee is also concerned with the ambiguity of the Acquisition Decision Memorandum, published on March 23, 2016, that states the Air Force should maintain a goal of 20 percent space, weight, power, and cooling (SWAP–C) margin through Milestone B to mitigate technical risk. This ambiguous requirement could have the effect of limiting industry competition and reducing the number of eligible aircraft solutions prior to a down-select decision for the EMD phase.

Therefore, the committee directs the Secretary of the Air Force, not later than December 1, 2016, to provide a report to the Committees on Armed Services of the Senate and House of Representatives that includes options to accelerate the JSTARS recapitalization program initial operational capability (IOC) to (1) fiscal year 2022, and (2) fiscal year 2023; and full operational capability (FOC) by fiscal years 2024 and 2025 respectively, along with the funding plan needed to support accelerating the program for both IOC and FOC options; an analysis concerning the option of transferring the JSTARS recapitalization program to an Air Force program office that can execute a rapid acquisition program; a clarification of the 20 percent SWAP–C margin and how it will be applied to source selection criteria; and an interim update on the study examining E–8C fatigue damage and structural integrity.

Subtitle E—Defense-Wide, Joint, and Multiservice Matters

Report to Congress on independent study of future mix of aircraft platforms for the Armed Forces (sec. 151)

The committee recommends a provision that would direct the Secretary of Defense to obtain an independent study on the future mix of aircraft platforms for the Armed Forces.

The committee is concerned that with many significant defense modernization programs scheduled to peak simultaneously in the middle of the next decade, informed strategic choices must be made on how the nation's resources will be applied to meet 21st century challenges. These strategic choices will include decisions on an optimized force mix of long-range versus medium/short-range intelligence, surveillance, and reconnaissance and/or strike platforms; manned versus unmanned platforms; observability characteristics; land-based versus sea-based; advanced or upgraded fourth-generation platforms of proven design; next generation air superiority capabilities; and promising, game-changing, advanced technology innovations.

Limitation on availability of funds for destruction of certain cluster munitions and report on Department of Defense policy and cluster munitions (sec. 152)

The committee recommends a provision that would limit the funds available for the destruction of cluster munitions until the Secretary of Defense submits a report on the Department's policy on and plan for cluster munitions. The committee notes that pursuant to the Department of Defense 2008 Policy on Cluster Munitions and Unintended Harm to Civilians, the military services and combatant commands, after December 31, 2018 will no longer use cluster munitions which result in more than one percent unexploded ordnance. Additionally, cluster munitions sold or transferred by the Department after 2018 must meet this requirement. As a result, the Department is facing a situation that if not addressed immediately, will have significant—and negative—operational and budgetary consequences. The committee is aware that the Department of Defense is demilitarizing its legacy mechanical and contact-fuzed weapons while relying on policy compliant sensor-fuzed munitions to meet specific requirements within Pacific Command, European Command, and Central Command areas of operation. The committee has learned that certain munitions that must be removed from DOD inventories can be refurbished and upgraded to comply with policy requirements at a significant cost savings compared to the procurement of new systems.

The committee has received testimony from multiple senior military leaders that critical munitions shortfalls are a top priority and of concern. The committee strongly supports efforts to limit harm to innocent civilians from area munitions, and is concerned that approximately one-half of the U.S. Air Force's inventory of available area weapons will not meet the Department's standard of less than one percent failure rate once the 2008 policy comes into effect on January 1, 2019. The committee directs the Department to make all necessary efforts to ensure that our warfighters are not deprived of a critical combat capability on January 1, 2019.

Therefore, the committee directs the Secretary of Defense, not later than March 1, 2017, to provide the congressional defense committees a report on the Department's policy and plans for cluster munitions.

Medium altitude intelligence, surveillance, and reconnaissance aircraft (sec. 153)

The committee notes that U.S. Special Operations Command (SOCOM) is currently funding operations for a total of eight service-provided, but contractor-operated (also known as "GOCO") manned intelligence, surveillance, and reconnaissance (ISR) aircraft that are currently supporting counterterrorism operations overseas. The committee understands that two of these aircraft have reached the end of their service life and are scheduled to be replaced by two similar DHC–8 contractor-owned, contractor-operated (COCO) Medium Altitude Intelligence, Surveillance, and Reconnaissance (MAISR) aircraft during fiscal year 2016. The fiscal year 2017 budget request for SOCOM includes $22.0 million in Procurement, Defense-wide, Overseas Contingency Operations, for the acquisition of these two MAISR aircraft to enable them to be operated as GOCO aircraft. The committee also understands that a SOCOM analysis has determined that the cost avoidance of acquiring versus leasing the aircraft is approximately $1.3 million per month with a break even return on investment of approximately 11 months.

The committee recognizes the continuing shortfall in the availability of ISR aircraft to support counterterrorism operations overseas. However, the committee is concerned with the piecemeal acquisition of ISR aircraft that do not clearly align with the SOCOM's ISR Roadmap and do not contribute to the fielding of a long-term manned MAISR solution to meet requirements. The committee believes that acquisition of manned ISR aircraft should be based upon the results of the SOCOM "Next Generation Manned ISR Analysis of Alternatives" study scheduled to begin in July 2016.

Therefore, the committee recommends a provision that would prohibit the obligation or expenditure of MAISR funds for the acquisition of MAISR aircraft in fiscal year 2017 until the Assistant Secretary of Defense for Special Operations and Low Intensity Conflict, in consultation with the Commander of SOCOM, provides the congressional defense committees with a report on the manned ISR requirements of the command and how such an acquisition aligns with the SOCOM ISR Roadmap.

Budget Items

ARMY

Survivability Counter Measures

The budget request included $9.6 million in line item AZ3507 of Aircraft Procurement, Army (APA) for Survivability Counter Measures. The committee recommends an increase of $26.0 million in APA for aircraft Survivability Counter Measures. Additional fund-

ing for APS was included in the Chief of Staff of the Army's unfunded priority list.

Stryker upgrades

The budget request included $444.6 million in line item G85200 of Procurement of Wheeled and Tracked Combat Vehicles, Army (W&TCV) for Stryker upgrades. The committee notes some funds are early to need for fiscal year 2017. The committee recommends a decrease of $11.0 million in W&TCV for Stryker upgrades.

M1 Abrams Tank (Modification)

The budget request included $480.2 million in line item GA0700 of Procurement of Wheeled and Tracked Combat Vehicles, Army (W&TCV) for M1 Abrams Tank (Modification). The committee recommends an increase of $82.0 million in W&TCV for the procurement and integration of active protection systems (APS). Additional funding for APS was included in the Chief of Staff of the Army's unfunded priority list.

M1 Abrams Tank (Modification)

The budget request included $480.2 million in line item GA0700 of Procurement of Wheeled and Tracked Combat Vehicles, Army (W&TCV) for M1 Abrams Tank (Modification). The committee recommends an increase of $58.0 million in W&TCV for the M1 Abrams Tank industrial base improvement.

Army Budget request realignment M4 Carbine Modification

The budget request included $29.8 million in Procurement of Wheeled and Tracked Combat Vehicles, Army (W&TCV). The committee notes other priorities in the FY 2017 budget. The committee recommends a decrease of $1.0 million in W&TCV.

Army Budget request realignment Hand Gun

The budget request included $0.0 million in Procurement of Wheeled and Tracked Combat Vehicles, Army (W&TCV) for the Hand Gun. The committee recommends an increase of $1.0 million in W&TCV.

Army ammunition reduction

The budget request included $1.5 billion for Procurement of Ammunition, Army (PAA). Within that amount, $40.3 million was for LIN 0132E00700 CTG, 5.56MM, All Types; $39.2 million was for LIN 0612E02000 CTG, 7.62MM, All Types; $5.1 million was for LIN 1450EA3000 CTG, Handgun, All Types; $46.6 million was for LIN 1722E08000 CTG, .50 Cal, All Types; $7.7 million was for LIN 2650E08200 CTG, 25MM, All Types; $118.1 million was for LIN 3222ER8001 CTG, 40MM, All Types; $120.6 million was for LIN 1120E22203 Cartridges, Tank, 105MM and 120MM, All Types; $64.8 million was for LIN 0530E1510 Artillery Cartridges, 75MM & 105MM, All Types; $6.1 million was for LIN 1430E91901 Non-Lethal Ammunition, All Types; $10.0 million was for LIN 2624EA0055 Items Less Than $5.0 Million (AMMO); and $17.2 million was for LIN 4370EA0575 Ammunition Peculiar Equipment.

The committee understands portions of these requests are ahead of need based on analysis by the Government Accountability Office. The committee believes these funds can be better aligned for other readiness priorities.

Accordingly, the committee recommends decreases to the following: $2.6 million to LIN 0132E00700 CTG, 5.56MM, All Types; $0.3 million to LIN 0612E02000 CTG, 7.62MM, All Types; $1.3 million to LIN 1450EA3000 CTG, Handgun, All Types; $4.7 million to 1722E08000 CTG, .50 Cal, All Types; $1.3 million to LIN 2650E08200 CTG, 25MM, All Types; $6.3 million to LIN 3222ER8001 CTG, 40MM, All Types; $2.8 million to LIN 1120E22203 Cartridges, Tank, 105MM and 120MM, All Types; $4.0 million to LIN 0530E1510 Artillery Cartridges, 75MM & 105MM, All Types; $0.2 million to LIN 1430E91901 Non-Lethal Ammunition, All Types; $0.5 million to LIN 2624EA0055 Items Less Than $5.0 Million (AMMO); and $3.7 million to LIN 4370EA0575 Ammunition Peculiar Equipment.

High Mobility Multi-Purpose Vehicle

The budget request included $00.0 million in Procurement of Wheeled and Tracked Combat Vehicles, Army (W&TCV) for the High Mobility Multi-Purpose Vehicle. The committee recommends an increase of $21 million in OPA for the High Mobility Multi-Purpose Vehicle.

Modification of in Service Equipment

The budget request included $219.5 million in line item number DA0924 of Other Procurement, Army (OPA), for Modification of In-Service Equipment. The committee notes other priorities in the budget for fiscal year 2017. The committee recommends a decrease of $12.0 million in OPA for Modification of In-Service Equipment.

Warfighter Information Network-Tactical

The budget request included $437.2 million in line item number BW7100 of Other Procurement, Army (OPA), for Warfighter Information Network-Tactical (WIN–T). The committee notes an early to need requirement in the budget for fiscal year 2017. The committee recommends a decrease of $100.0 million in OPA for WIN–T.

Distributed Common Ground System-Army (Military Intelligence Program)

The budget request included $275.5 million in line item BZ7316 of Other Procurement, Army (OPA), for Distributed Common Ground System-Army (DCGS–A). The committee notes the program has changing tactical requirements for fiscal year 2017. Therefore the committee recommends a decrease of $93.0 million in OPA for DCGS–A.

Light Weight Counter Mortar Radar

The budget request included $99.9 million in line item B05201 of Other Procurement, Army (OPA), for Light Weight Counter Mortar Radar (LCMR). The committee notes unjustified growth in the budget for fiscal year 2017. The committee recommends a decrease of $12.5 million in OPA for LCMR.

Modification of In-Service Equipment (Lightweight Laser Designator Rangefinder)

The budget request included $28.1 million in line item KA3100 of Other Procurement, Army (OPA), for Modification of In-Service Equipment (Lightweight Laser Designator Rangefinder). The committee notes unjustified growth in the budget for fiscal year 2017. The committee recommends a decrease of $6.5 million in OPA for Modification of In-Service Equipment (Lightweight Laser Designator Rangefinder).

Counterfire Radars

The budget request included $314.5 million in line item BA5500 of Other Procurement, Army (OPA), for Counterfire Radars. The committee recommends smoothing the production profile in the budget for fiscal year 2017. The committee recommends a decrease of $36.0 million in OPA for Counterfire Radars.

Maneuver Control System

The budget request included $151.3 million in line item BA9320 of Other Procurement, Army (OPA), for Maneuver Control System (MCS). The committee notes an unjustified increase in the budget for fiscal year 2017. The committee recommends a decrease of $27.0 million in OPA for MCSs.

Automated Data Processing Equipment

The budget request included $108.0 in Other Procurement, Army (CPA) for automated data processing equipment. The committee notes higher priorities in the budget for fiscal year 2017. The committee recommends a reduction of $9.4 million in OPA for automated data processing equipment.

Army Contract Writing System

The budget request included $1.0 million in Other Procurement Army (OPA) for Army Contract Writing System. The committee is concerned that the Army is planning to spend over $200.0 million on software to write contracts.

The committee recommends a reduction of $1.0 million in OPA for Army Contract Writing System. The committee urges the Army to analyze lower cost alternatives for this business function.

Distribution Systems, Petroleum and Water

The budget request included $42.7 million in line item MA6000 in Other Procurement, Army (OPA), for Distribution Systems, Petroleum and Water. The committee notes higher priorities in the budget for fiscal year 2017. The committee recommends a decrease of $10 million in OPA for Distribution Systems, Petroleum and Water.

Mobile Maintenance Equipment Systems

The budget request included $37.3 million in line item G05301 of Other Procurement, Army (OPA), for Mobile Maintenance Equipment Systems. The committee notes an unjustified increase in the budget for fiscal year 2017. The committee recommends a decrease

of $5.0 million in OPA for Mobile Maintenance Equipment Systems.

Construction Equipment Engineer Support Companies

The budget request included $26.7 million in line item M05500 of Other Procurement, Army (OPA), for Construction Equipment Engineer Support Companies (ESP). The committee notes an unjustified increase in the budget for fiscal year 2017. The committee recommends a decrease of $4.5 million in OPA for Engineer Support Equipment ESP.

Army Watercraft Extended Service Program

The budget request included $21.9 million in Other Procurement, Army (OPA), for Army Watercraft Extended Service Program. The committee notes higher priorities in the budget for fiscal year 2017. The committee recommends a decrease of $11 million in Army Watercraft Extended Service Program

Modification of In-Service Equipment (Other Procurement, Army 3)

The budget request included $67.4 million in line item MA4500 of Other Procurement, Army (OPA), for Modification of In-Service Equipment (Other Procurement, Army 3). The committee notes unjustified growth in the budget for fiscal year 2017. The committee recommends a decrease of $5.0 million in OPA for Modification of In-Service Equipment (Other Procurement, Army 3).

Navy

F–35B Spares

The budget request included $1.4 billion in line item number 605 of Aviation Procurement, Navy (APN) for Spares and Repair Parts. The committee notes the Marine Corps is planning on the first operational shipboard deployments of the F–35B in 2018. Adequate spare parts are vital to maintain aircraft readiness and operational availability, particularly while operating at sea. Additional funding is necessary to ensure the deploying L-class ships have sufficient Afloat Spares Packages to support their F–35B detachments. This is a Commandant of the Marine Corps unfunded priority. Therefore, the committee recommends an increase of $50.8 million to APN, Spares and Repair Parts.

Tomahawk missile

The budget request included $186.9 million in line item 2101 of Weapons Procurement, Navy (WPN) for procurement of 100 Tomahawk missiles. The Tomahawk remains a vital element of the nation's long range strike capability and will remain so for the foreseeable future. The committee supports the Navy's efforts to modernize the Tomahawk's navigation, communications, and seeker to maintain its advanced capability, but remains concerned about the path forward. The Tomahawk's replacement remains in the earliest of planning stages and its initial operating capability has been pushed back a further 4 to 6 years from 2024 to the 2028–2030 timeframe. Nevertheless, the budget request funds production

below the minimum sustaining rate and seeks to end production of new Tomahawks after fiscal year 2017. The committee is concerned that the Navy's plan presents significant risk in Tomahawk inventory levels and risks an unstable industrial base for the beginning of the recertification and modernization of existing Block IV missiles in 2019.

Therefore, the committee recommends an increase of $84.2 million in line item 2101 of WPN to maintain production at the minimum sustaining rate of 196 missiles.

AGM–88E Advanced Anti-Radiation Guided Missile

The budget request included $178.2 million in line item 2327 of Weapons Procurement, Navy (WPN) for the AGM–88E Advanced Anti-Radiation Guided Missile (AARGM). The committee supports the need for a capable anti-radiation guided missile to counter modern integrated air defense systems. However, the committee is concerned with the continued troubles experienced by the AARGM in operational testing. The committee is also concerned about problems with production processes, which led to a recent partial production shutdown.

Therefore, the committee recommends a decrease of $30.0 million for this program to restore program accountability.

Ordnance support equipment

The budget request included $59.1 million in line item 2500 of Weapons Procurement, Navy (WPN). The committee recommends an increase of $7.0 million.

Navy and Marine Corps ammunition reduction

The budget request included $1.5 billion for Procurement of Ammunition, Navy & Marine Corps (PANMC) of which $16.7 million was for LIN 1121 120mm, All Types and $8.5 million was for LIN 1660 Items Less Than $5 million.

The committee understands portions of these requests are ahead of need based on analysis by the Government Accountability Office. The committee believes these funds can be better aligned for other readiness priorities.

Accordingly, the committee recommends decreases to the following in PANMC: $4.0 million to LIN 1121 120mm, All Types and $2.5 million was for LIN 1660 Items Less Than $5 million.

***Arleigh Burke*-class destroyers**

The budget request included $3.2 billion in line item 9 of Shipbuilding and Conversion, Navy for procurement of *Arleigh Burke*-class destroyers (DDG–51). The committee notes an additional destroyer was provided for in the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92), which included incremental funding authority, and the Department of Defense Appropriations Act for Fiscal Year 2016 (Public Law 114–113), which included $1.0 billion in funding. The committee further notes an additional $433.0 million is required to fully fund this additional destroyer. Therefore, the committee recommends an increase of $49.8 million to this program to provide the next increment of funding for the additional fiscal year 2016 *Arleigh Burke*-class destroyer.

Littoral Combat Ship

The budget request included $1.1 billion in line item 11 of Shipbuilding and Conversion, Navy for procurement of two Littoral Combat Ships. The committee notes unjustified unit cost growth in the other cost ($24.0 million) and other electronics ($4.0 million) categories, which increased without justification despite a quantity reduction compared to fiscal year 2016. Therefore, the committee recommends a decrease of $28.0 million in procurement for this program.

Amphibious ship replacement LX(R)

The budget request included no funding in line item 13 of Shipbuilding and Conversion, Navy for advance procurement of the amphibious ship replacement LX(R), which is expected to functionally replace LSD–41 and LSD–49 class ships. The committee supports accelerating the construction of LX(R) class ships, provided the ships are competitively awarded. Therefore, the committee recommends an increase of $50.0 million for this program.

Destroyer modernization

The budget request included $367.8 million in line item 9 of Other Procurement, Navy for DDG modernization. The committee notes the Navy's DDG modernization program increases the fleet's Ballistic Missile Defense (BMD) and Naval Integrated Fire Control—Counter Air (NIFC–CA) capacity, which improves the U.S. ability to pace high-end adversary weapons systems. One additional BMD/NIFC–CA modernization was a Chief of Naval Operations' unfunded priority. Therefore, the committee recommends an increase of $65.0 million to this program.

LCS common mission modules equipment

The budget request included $27.8 million in line item 36 of Other Procurement, Navy for LCS common mission modules equipment. This line item contains $12.2 million for mission bay training devices—MCM, which includes $3.7 million for training and support items associated with the remote minehunting system that was cancelled in 2016. Therefore, the committee recommends a decrease of $3.7 million for this program.

Surveillance towed array sensor system

The budget request included $36.1 million in line item 51 of Other Procurement, Navy for the surveillance towed array sensor system (SURTASS). The committee notes an additional SURTASS array will increase operational availability of ready spares to outfit Pacific Fleet assets. This was a Chief of Naval Operations' unfunded priority. Therefore, the committee recommends an increase of $10.0 million to this program.

Surface electronic warfare improvement program

The budget request included $274.9 million in line item 53 of Other Procurement, Navy for AN/SLQ–32. The committee notes the Surface Electronic Warfare Improvement Program (SEWIP) Block III provides for upgraded electromagnetic sensing and electronic attack capabilities for surface ships. Procuring one additional unit

will increase fiscal year 2017 procurement from two to three systems, providing increased shipborne electronic attack and countertargeting capabilities. This was a Chief of Naval Operations' unfunded priority. Therefore, the committee recommends an increase of $23.0 million to this program.

Minesweeping system replacement

The budget request included $56.7 million in line item 62 of Other Procurement, Navy for the minesweeping system replacement. Navy officials have stated systems procured in this line item are used for Littoral Combat Ship (LCS) training. In fiscal year 2017, the request for this line item includes $20.5 million for two Knifefish systems and $4.0 million for two Unmanned Influence Sweep System trainers. The committee notes fiscal year 2017 is the first year of procurement for Knifefish and the Unmanned Influence Sweep System in LCS mine countermeasures mission modules line item 1601, and that the system will undergo developmental test and evaluation to verify it meets all technical requirements in fiscal year 2017. Therefore, the committee recommends a decrease of $24.5 million for this program due to procurement ahead of need.

Air Force

UH–1N helicopter replacement program

The budget request included $18.3 million in Aircraft Procurement, Air Force (APAF), for the UH–1N helicopter replacement program. This program is intended to replace the over four decade-old helicopters currently in use for rapid security response team missions on the Air Force's intercontinental ballistic missile fields. These aircraft are growing increasingly unreliable due to approaching the end of their service lives, are more costly to maintain, and do not meet the minimum requirements necessary for the missile field security mission.

The committee believes the Air Force's proposed approach to procure HH–60 helicopters from the U.S. Army's current multi-year procurement contract, under The Economy Act of 1932, Title 31, United States Code, sections 1535 and 1536, represents the most prudent method to rapidly field the necessary capability, leverages the Air Force's existing organic depot maintenance and supply chain for their current HH–60 and future Combat Rescue Helicopter fleets, avoids costly and lengthy development and testing of a completely new and different aircraft, and decreases both Army and Air Force aircraft procurement unit costs through economic order of quantity.

Therefore, the committee recommends an increase of $302.3 million in APAF for the procurement of eight HH–60 Blackhawk aircraft and initial spares and support equipment.

Fourth generation fighter capability upgrades

The budget request included $97.3 million in Line Item F01600 of Aircraft Procurement, Air Force (APAF) for F–16 capability upgrades. Due to Air Force plans to field fourth generation fighters for a longer than expected period of time while awaiting deliveries in significant numbers of F–35A replacements, these aircraft must

be upgraded with systems that will make them more operationally effective and survivable in the threat environments of the early to mid-2020 decade.

Therefore, the committee recommends an increase of $48.3 million for F–16 multi-mission computer and Multi-functional Information Distribution System—Joint Tactical Radio System (MIDS–JTRS), an increase of $12.0 million for F–16 active missile warning system, an increase of $23.0 million for F–16 digital radar warning system, and an increase of $5.0 million for F–16 anti-jam global positioning system (GPS) upgrades. The committee recommends a total increase of $88.3 million in Line Item F01600 of APAF for these Chief of Staff of the Air Force fiscal year 2017 unfunded requirement list items.

Budget request realignments

The Air Force requested that the committee make several realignments in their budget to correct various errors in their submission of the Aircraft Procurement, Air Force (APAF) and Other Procurement, Air Force (OPAF) documentation. The table below reflects these adjustments:

Changes to Correct Submission Errors

(in millions)

Item	Account	Line Item	Amount Quantity
HC–130J	APAF	6	+1
MQ–9	APAF	15	−$87.0
Initial Spares (MQ–9)	APAF	61	+$87.0
Initial Spares (EC–130H)	APAF	61	−$25.6
Compass Call Mods	APAF	45	+$25.6
AFNET	OPAF	40	−$5.1
Intel Comm Equipment	OPAF	15	+$5.1

Defense Wide

Mentor Protégé reduction

The budget request included $4.6 billion in LIN 30 Procurement, Defense-Wide, (PDW) of which $29.2 million was for Major Equipment, OSD.

The committee understands that within this request was $23.1 million for the Mentor Protégé program. The committee's analysis of this program indicates that a number of firms participating in the program as Protégés have received, in some cases significant, federal contract awards prior to the establishment of their Mentor-Protégé agreements.

The committee notes that in the Joint Explanatory Statement accompanying the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92), the conferees required the Secretary of Defense to submit a report not later than February 23, 2016 on changes to program policy and metrics that would ensure the program meets the goal of enhancing the defense supplier base in the most effective and efficient manner. The committee notes this re-

port has not been submitted in accordance with the law, leaving concerns to the ongoing validity of this program.

Accordingly, the committee recommends a decrease of $23.1 million in LIN 30 PDW for Major Equipment, OSD.

MH–60M training loss replacement

The budget request included $150.4 million in Procurement, Defense-wide (PDW), Line 42, for rotary wing upgrades and sustainment. In August 2015, a U.S. Special Operations Command (SOCOM) MH–60M helicopter sustained heavy damage during an overseas training exercise and the aircraft was subsequently designated as a training loss. Accordingly, the committee recommends an increase of $18.6 million for special operations-peculiar modifications to one UH–60 provided to SOCOM by the Department of the Army for the replacement of the overseas training loss.

MQ–9 Unmanned Aerial Vehicle

The budget request included $10.6 million in Procurement, Defense-wide (PDW), Line 51, for the acquisition and support of special operations-unique mission kits for the Medium Altitude Long Endurance Tactical (MALET) MQ–9 Unmanned Aerial Vehicle (UAV). U.S. Special Operations Command (SOCOM) is responsible for the rapid development and acquisition of special operations capabilities to, among other things, effectively carry out operations against terrorist networks while avoiding collateral damage.

The committee understands that the budget request only partially addresses technology gaps identified by SOCOM on its fleet of MQ–9 UAVs. Therefore, the committee recommends an additional $14.8 million in PDW for the MQ–9 UAV.

The committee strongly supports SOCOM's efforts to accelerate fielding of advanced weapons, sensors, and emerging technologies on its fleet of MQ–9 UAVs. The committee has authorized additional funds above the budget request in each of the last 4 years to enhance these efforts and understands that SOCOM has successfully developed and acquired a number of new capabilities, including improved weapon effectiveness, target location and tracking, image resolution, and video transmission during that time. The committee expects SOCOM to update the committee periodically on its procurement efforts under the MALET MQ–9 UAV program.

AC–130J A-kit procurement

The budget request included $213.1 million in Procurement, Defense-wide (PDW), Line 53, to field precision strike package kits for AC–130J aircraft. As a result of a decision to integrate the 105mm gun on the AC–130J, U.S. Special Operations Command has requested a transfer of $13.1 million designated for precision strike package kits to PDW, Line 54, for AC–130J A-kit procurement. Accordingly, the committee recommends a transfer of this amount.

Items of Special Interest

Aegis radar improvements

The U.S. Navy has 84 destroyers and cruisers in the fleet equipped with the Aegis Weapon System, which includes the AN/

SPY–1 multifunction phased-array radar. The AN/SPY–1 is based on vacuum electronic device components, such as cross-field amplifiers, travelling wave tube transmitters, and microwave vacuum tubes.

The committee understands newer, more efficient transmitters may be available that provide significant performance advantages, including: very low out-of-band emission, very low phase noise, reduced clutter, increased range, and greater electronic warfare capabilities.

Therefore, the committee directs the Secretary of the Navy to submit to the Committees on Armed Services of the Senate and House of Representatives not later than 120 days after the date of enactment of this Act, a report on AN/SPY–1 operational availability and sustainment challenges across the DDG–51 and CG–47 classes. The report shall also include the cost and benefits of options to address AN/SPY–1 obsolescence challenges, including the potential use of newer, more efficient transmitters.

Airborne Signals Intelligence Payload

The committee is concerned the Air Force is not fully implementing the tenets of the Department of Defense's Better Buying Power and the acquisition reform principles enacted in the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92) with regard to the Airborne Signals Intelligence Payload (ASIP) program.

The committee is concerned the Air Force may be overstating integration risks which result in excessive life cycle costs in pursuing an ASIP program design, resulting in late-to-need upgrades in response to user requirements, and may not fully capitalize on commercially available, mature technology that an open competition would deliver.

The committee expects the Air Force to engage in a full and open competition for ASIP Increment 2B to achieve improved capability for combatant commanders at a lower cost.

Army Modular Handgun System (MHS)

The committee is concerned that the Army's effort to buy a new modular handgun system has taken more than 10 years and produced a more than 350-page requirements document.

The committee is pleased that the Army finally released a request for proposal on August 28, 2015, and has now received multiple proposals from industry.

The committee supports an effort to accelerate the procurement of a low cost weapon system that meets Army requirements and that is potentially a commercial off-the shelf and non-developmental item.

The committee recommends the Army rapidly and competitively acquire a handgun by leveraging new acquisition authorities as detailed in the National Defense Authorization Act of Fiscal Year 2016 (Public Law 114–92). The committee further recommends pursuing a firm fixed price contract in accordance with the Federal Acquisition Regulations part 12.

B–21 supply chain

The committee directs the Secretary of the Air Force to provide a classified report to the congressional defense committees on foreign supply chain risk in the B–21 program. The report must be submitted with the President's Fiscal Year 2018 budget request and shall include, at a minimum:

(1) a description of any engineering or design activities performed outside the United States;

(2) a comprehensive list of sub-assemblies, components, or parts that are being built, or will be built or assembled outside the United States;

(3) an assessment of supply chain risk related to work performed on the B–21 outside the United States, including, but not limited to, risks associated with supply interruption; counterfeit, suspect-counterfeit or nonconforming parts or quality assurance; and

(4) a description of actions taken by the Air Force to mitigate supply chain risks posed by work performed on the B–21 outside the United States.

B–52 radar replacement program

In the fiscal year 2017 budget request, the Air Force is proposing to replace the B–52 mechanically-steered radar system, which dates to the 1960s, with a program considered a new start. In prior years, in reports directed by the Senate report accompanying S. 3254 (S. Rept. 112–173) of the National Defense Authorization Act for Fiscal Year 2013 and the Senate report accompanying S. 1197 (S. Rept. 113–44) of the National Defense Authorization Act for Fiscal Year 2014, the Air Force continued to maintain such mechanically steered radars could be sustained through 2040.

While the committee is pleased the Air Force is considering a replacement for the B–52 radar system, the committee directs the Secretary of the Air Force to report to the congressional defense committees, not later than February 28, 2017, on the outcome of the analysis of alternatives that will be conducted to initiate this program, and how it differs from the prior analysis of alternatives conducted in 2011.

In addition, as part of this report the committee directs the Secretary of the Air Force to report to the congressional defense committees on the system degradation of the existing B–52 radar system and the AGM–86 Air-Launched Cruise Missile in terms of weapon accuracy throughout the expected service life of the AGM–86.

C–130 engine enhancements

The committee recognizes energy usage, specifically fuel consumption by the Air Force, continues to represent an overwhelming portion of Air Force operations and maintenance costs. To find ways to reduce fuel costs, the Air Force commissioned a study in 2006, funded industry research and development, and began an Engine Enhancement Program. These efforts result in increased service life and fuel economy of the T56 engine, and improved operational performance of the C–130H aircraft, to include increased cargo capacity and range, as well as reduced takeoff distances.

Congress authorized and appropriated funding to procure and install T56 3.5 engine upgrades in previous fiscal years. The committee notes the T56 3.5 Engine Enhancement Program is included in the Air National Guard's 2015 Weapons Systems Modernization Priorities as a "significant major item shortage."

The committee strongly encourages the Air Force to continue ongoing testing of the T56 3.5 engine upgrade and other C–130 propulsion system improvements to demonstrate capability improvements and fuel savings, and ultimately achieve reduced operations and sustainment costs.

Comptroller General of the United States assessment of Department of Defense F–35 deployment planning efforts

The committee recognizes the importance of the F–35 Lightning II program to our national defense. The F–35 will replace a variety of combat aircraft in the Air Force, Navy, and Marine Corps, representing the future of tactical air for the Department of Defense (DOD). In July 2015, the Marine Corps declared initial operating capability for the F–35B. The Marine Corps plans to deploy its first squadron of aircraft to Marine Corps Air Station Iwakuni (Japan) in 2017 as a permanent change of station for VMFA–121. This will signal the first operational deployment of both the F–35B aircraft platform and its associated Autonomic Logistics Information System (ALIS), and will provide an opportunity to prove operational concepts not only for the Marine Corps, but for the Air Force and Navy as well. Additionally, VMFA–121 is due to deploy aboard ship in 2018, the F–35's first operational shipboard deployment. As the Marine Corps prepares to deploy the F–35B, opportunities also exist for DOD and the services to reexamine aircraft affordability and make adjustments as needed. The F–35 program is critical to the future of tactical air for the Armed Forces and DOD will need to operate and deploy the F–35 on a widespread basis in the coming years while managing costs.

Therefore, the committee directs the Comptroller General of the United States to submit to the Committees on Armed Services of the Senate and the House of Representatives a report setting forth the results of a study, conducted by the Comptroller General with preliminary observations due no later than March 1, 2017 and a final report to follow, to review the DOD's ongoing F–35B deployment planning efforts. This review should include:

(1) The extent to which DOD has developed plans to support its initial F–35 deployment to Marine Corps Air Station Iwakuni, including those related to personnel, aircraft support equipment, base infrastructure, ALIS integration, logistics, and spare parts;

(2) The extent to which the Marine Corps' initial F–35B deployment to Marine Corps Air Station Iwakuni will enable U.S. Pacific Command to meet its operational requirements;

(3) The challenges the F–35B program faces with its initial deployment to Marine Corps Air Station Iwakuni, and the extent to which DOD plans to measure success, challenges, and share lessons learned with the Air Force and Navy; and

(4) The extent to which DOD has developed plans to support its initial F–35 deployment aboard ship, including those re-

lated to personnel, aircraft support equipment, ship modifications (including communication and data links), ALIS integration, logistics, and spare parts.

DDG–51 destroyer production gap

The committee is concerned a production gap may occur between the current DDG–51 multi-year procurement contract, which concludes with the procurement of two ships in fiscal year 2017, and the follow-on contract scheduled to begin in fiscal year 2018. The committee notes a previous production gap in this program resulted in increased costs for both construction shipyards, as well as the broader vendor base. The committee urges the Secretary of the Navy to prevent a DDG–51 production gap to the maximum extent practicable.

Therefore, the committee directs the Secretary of the Navy to submit a report to the Committees on Armed Services of the Senate and House of Representatives with the fiscal year 2018 budget request that provides a plan to prevent a DDG–51 production gap or, should the Secretary be unable to prevent a gap, provide mitigation options.

Department of Defense report on improvements to the munitions requirements process

The committee remains concerned about the state of the Department of Defense's munitions inventories. Years of budgetary neglect and high levels of operational use have stretched inventories in some critical munitions to dangerously low levels. While the committee supports the Department's renewed focus on procuring munitions in higher quantities, the committee remains concerned the Department's munitions requirements process remains inadequate to ensure inventories are managed without repeated descents into crisis. The committee understands the Department has made changes to the requirements process, improving the frequency and fidelity of required asset estimates. However, the committee remains concerned the process still does not adequately account for either activities short of major combat operations, such as current actions against Islamic State, nor transfers of munitions to our allies, which is an important element in support of our national military and diplomatic efforts.

Therefore, the committee directs the Secretary of Defense to provide a report to the Armed Services Committees of the Senate and House of Representatives, within 180 days of the enactment of this Act, on ways to improve the munitions requirements process, with particular emphasis on better accounting for actions short of major combat operations and transfers of munitions to our allied partners.

The required report should be classified but shall include an unclassified executive summary.

E–3 Airborne Warning and Control System (AWACS) fleet Block 40/45 upgrade

The committee fully supports the ongoing efforts by the Air Force to upgrade its fleet of E–3 Airborne Warning and Control System

(AWACS) aircraft and strongly encourages the Air Force to fully fund the Block 40/45 upgrade on its entire fleet of AWACS.

EA–18G Growler requirement

As electronic warfare technologies and capabilities proliferate throughout the globe, to allies, partners, and potential adversaries alike, the committee believes airborne electronic attack will be increasingly vital to our joint warfighting force. Currently, the EA–18G Growler is the nation's premier airborne electronic attack (AEA) aircraft and will soon be the only tactical AEA aircraft platform. During a March 2016 hearing before the Senate Appropriations Committee, Chief of Naval Operations, Admiral John Richardson, stated that the current buy of 160 EA–18G Growlers was sufficient to do "the Navy's part" of electronic warfare, but the Department was undergoing a process to study the need for Growlers to support the entire joint force. The committee believes the requirement for Growlers will not diminish, and will likely increase, as the Growler community continues to expand the tactics and concepts of operations of the aircraft's electronic surveillance and electronic attack capabilities and the Next Generation Jammer begins to enter the fleet in the early 2020s.

Therefore, the committee directs the Secretary of Defense to submit a report, within 180 days following the enactment of this Act, to either revalidate the current requirement for the EA–18G Growler total program of record quantity or identify a new requirement for the total number of EA–18G aircraft the Department would ultimately procure. The report should include the relevant portions of the defense strategy, critical assumptions, priorities, and force sizing construct used to revalidate the current requirement. If a new requirement is identified, the report should include the overarching plan for fielding complementary weapons systems to meet combatant commander objectives.

The required report may be classified, but must include an unclassified executive summary.

Enhanced tactical mobility for infantry brigade combat teams

The committee is concerned about the 82nd Airborne Division's urgent need for enhanced tactical mobility for infantry brigade combat teams outlined in the operational needs statement of March 2014. This statement was approved by XVIII (Airborne) Corps and subsequently by U.S. Army Forces Command. The committee strongly encourages the Army to rapidly acquire these vehicles using new authorities granted in the National Defense Authorization Act of Fiscal Year 2016 (Public Law 114–92).

F–16 mission training centers

The committee recognizes the ability to execute decisive air warfare requires realistic training. Various types of required real-world training activities are seldom conducted at Air National Guard bases due to limited availability of assets (i.e., lack of availability of dedicated adversary aircraft, realistic low level airspace for low altitude intercepts or engagements, and supersonic ranges). This lack of real-world training capability can be offset with modem and

up to-date live, virtual, and constructive technologies available today.

The committee fully supports and encourages Air Force and Air National Guard efforts to field additional F–16 block 40/50 Mission Training Centers (MTC) that remotely connect to virtual networks to perform enterprise-wide training and mission rehearsal across diverse geographical locations. Additional MTC locations would provide Air National Guard aircrews the necessary continuity of training between live and virtual scenarios required to attain and sustain full combat mission readiness while reducing operations tempo, flying hour, and travel costs.

High Mobility Multipurpose Wheeled Vehicle (HMMWV) ambulance

The committee recognizes the critical medical ground evacuation mission role filled by the High Mobility Multipurpose Wheeled Vehicle (HMMWV) ambulance. The committee is concerned that the Army's current fleet of HMMWV ambulances in the active component is exceeding the expected useful life of the vehicle. Therefore, the committee directs the Army to develop a plan to deliver the next generation M997 A3 HMMWV ambulances focused on enhanced reliability and crew protection to accomplish their life-saving mission.

The committee supports the Army's ongoing requirement to maintain a HMMWV ambulance fleet capable of meeting the continued and varied mission roles for both the active and reserve components. The committee is aware of the successful effort underway to modernize the HMMWV ambulance fleet for the Army National Guard and Army Reserve through the procurement of state-of-the-art HMMWV ambulances. The committee believes this model warrants consideration in order to field the maximum quantity of vehicles as expeditiously as possible.

Munitions availability

The committee notes that from August 2014 to December 2015, the U.S. military dropped $1.3 billion in smart bombs and other guided munitions on ISIL targets in Iraq and Syria. The Air Force alone has fired more than 20,000 missiles and bombs against ISIL. This has resulted in a shortage of precision guided munitions. The Air Force, Navy and Marine Corps have all voiced concerns about having insufficient munitions to meet requirements. In testimony before the House Armed Services Committee earlier this year, the Commander of U.S. Forces Korea confirmed that "[W]e must maintain an adequate quantity of critical munitions to ensure alliance supremacy in the early days of conflict on the Peninsula. This requirement is further amplified by the approaching loss of cluster munitions due to shelf life expiration and the impending ban." High operational tempo has exacerbated what was already a critical situation. The committee is concerned by the fact the munitions industrial base has been strained to replenish previously depleted stocks, let alone keep up with current demand.

Therefore, prior to submission of the Fiscal Year 2018 budget, the Department of Defense will submit a written plan and provide a report to the congressional defense committees in the House and

Senate on their plan to ensure sufficient munitions are funded, sustained and procured to meet planned Combat Commander requirements as well as existing and emerging contingency operational requirements. This plan should take into consideration emerging weapon systems, new technologies, replenishment of expended munition stockpiles, and the required removal of munitions due to age or capability, and upgrade and refurbishment of existing munitions.

Navy maritime security barriers

As noted in the Senate report (S. Rept. 114–49) accompanying the National Defense Authorization Act for Fiscal Year 2016 (S. 1376), the committee believes that the department must seek to continually improve force protection measures and that security at Navy shipyards and bases depends not only on land-based security measures, but also on effective maritime barriers.

As the Commander of Navy Installations Command, Vice Admiral Dixon Smith, testified on April 5, 2016, current Navy maritime security barriers do "not meet the requirement for high-speed boats that could be used for a terrorist attack."

The committee understands the Navy is testing next generation maritime security barriers and notes Admiral Smith testified these barriers will have a better ability to stop vessels.

The committee further understands that next generation maritime barriers may also provide improved protection against low profile surface threats, better ability to withstand multiple coordinated attacks, and better ability to endure environmental extremes.

Therefore, the committee directs the Secretary of the Navy to submit a report to the Committees on Armed Services of the Senate and House of Representatives with the department's fiscal year 2018 budget request containing options to improve protection for Navy ships, shipyards, bases, equipment, and personnel, including the role that next generation maritime barriers could play in improving that protection.

***Ohio*-class replacement submarine program**

The committee understands the Navy plans to use a cost-plus contracting strategy for the design of the *Ohio*-class replacement program and potentially for procurement of the lead submarine in the class. The committee believes the Navy and contractors will have sufficient time between the first contract award of procurement funds in fiscal year 2017 and the fiscal year 2028 delivery of the lead submarine to reassess the lead submarine contracting strategy. The committee recommends the Navy transition to fixed price contracts for this program as quickly as possible, including modifying the lead submarine contract, because maintaining cost and schedule are vital to ensuring the first *Ohio*-class replacement submarine meets its U.S. Strategic Command requirement to conduct its first patrol in 2031.

Therefore, the Secretary of the Navy is directed to submit a report with the President's budget for fiscal year 2018 to the congressional defense committees on how and when the Navy plans to

transition to fixed price contracts for this program, including options to modify the lead submarine procurement contract.

Paladin Integrated Management (PIM)

The committee continues to support the Paladin Integrated Management (PIM) upgrade to the M109A6 Paladin, the primary indirect fire weapons platform in the US Army's Armored Brigade Combat Teams (ABCT). The PIM program upgrades both the M109A6 Paladin howitzer and its companion ammunition resupply vehicle, the M992 Field Artillery Ammunition Support Vehicle (FAASV). PIM incorporates many new survivability enhancements to greatly increase the force protection levels of the crewmembers. The PIM program is critical to the US Army. It significantly improves force protection and survivability and reduces logistics burden for the Armored Brigade Combat team field artillery Soldiers.

Patriot Product Improvement

The committee notes that the Army has requested $49.5 million for the Patriot Product Improvement program. On July 21, 2015, General Mark A. Milley, USA, Chief of Staff of the Army, testified that, "Patriot plays a key role in not only acquiring and then destroying incoming fixed-wing aircraft, but also in intercepting and destroying incoming missiles. So Patriot is a very, very key system to the air defense of our allies and our own soldiers on the ground." The committee believes that our service members should have the best available air and missile defense capabilities. The committee understands that the Patriot Product Improvement program would provide required material upgrades to incorporate lessons learned, enhance joint force interoperability, and improve performance to address emerging threats. The committee supports the Army's request for Patriot Product Improvement funding.

Radiation detection technology

The Committee is encouraged that the Army National Guard recently placed an order to help fill a shortfall in modern radiation detection devices. The committee is concerned, however, that shortfalls in fielding the most current radiation detection devices, specifically personal dosimeters, continue to exist, and most notably within the Army. To ensure our troops and domestic homeland first responders are provided with the best possible protection to monitor against nuclear exposure, the Committee strongly encourages the Department to expedite and complete the fielding of modern radiation detection equipment, specifically personal dosimeters, across the force.

Report on disposition options for previously modified C–130H Avionics Modernization Program (AMP) aircraft

The committee is encouraged by the Air Force's progress in the restructured C–130H Avionics Modernization Program (AMP) Increments 1 and 2. The Air Force appears to have a solid path forward for AMP Increment 1 to upgrade all C–130H aircraft with safety upgrades, as well as airspace access compliance modifications by the deadline of January 1, 2020. The committee is also encouraged by the planned acceleration of the AMP Increment 2

phase well before the previously anticipated fiscal year 2042 completion date, moving estimated fleet completion forward to fiscal year 2028.

The committee is concerned with the funding and manpower resources required to maintain the five previously modified C–130H AMP aircraft at their current location. The committee understands that again modifying the previously modified C–130H AMP aircraft into the restructured AMP Increments 1 and 2 configuration is likely cost-prohibitive.

Therefore, the committee directs the Secretary of the Air Force to provide a report to the Committees on Armed Services of the Senate and the House of Representatives, not later than December 1, 2016, on:

(1) The anticipated annual resource requirements for fiscal year 2017 and beyond to maintain the aircraft in their current status and location;

(2) Potential options, including feasibility and costs, for declaring the five aircraft as excess to military requirements and;

(a) opportunities for transfer to other government agencies;

(b) foreign military sales;

(c) sales to private entities; or (d) any combination of the options in subparagraphs (2)(a), (2)(b), and (2)(c);

(3) Other disposition options.

Review of Army salutes, honors, and visits of courtesy in relation to use of 75MM blank rounds

The committee strongly concurs with the Chief of Staff of the Army's readiness guidance for calendar year 2016–2017 that, "readiness is #1 . . . and there is no other #1." The committee is also concerned that in the current fiscal environment, the Army may be expending and stockpiling 75MM blank rounds for ceremonial purposes, when those resources could be used to fund more urgent readiness priorities. The committee recognizes and understands that this policy is in accordance with Army Regulation 600–25 "Salutes, Honors, and Visits of Courtesy" issued on September 24, 2004.

Accordingly, the committee directs the Secretary of the Army to review Army Regulation 600–25 in regard to the use of 75MM blanks and provide an assessment and any recommended changes to that regulation to the Committees on Armed Services of the Senate and the House of Representatives by February 1, 2017.

Shipbuilding guarantees

The committee is concerned with the efficacy of the Navy's use of guarantees in its shipbuilding contracts. In March 2016, the Government Accountability Office (GAO) found that as a result of the Navy's contract type and terms, the government is paying shipbuilders profit to repair defects that were determined to be the shipbuilders' responsibility. The GAO recommended several actions aimed at improving the use of guarantees in Navy shipbuilding, including limiting profit for the correction of shipbuilder responsible defects.

The committee understands the Navy agreed to study the issues in the GAO report and publish a complete response coordinated with the Office of the Secretary of Defense by September 30, 2016. The committee directs the Secretary of the Navy to provide the congressional defense committees the complete response at the same time this study is provided to the GAO. Further, as recommend by the GAO, in arrangements where the shipbuilder is paid to correct defects, the committee directs the Secretary of the Navy to structure contract terms such that shipbuilders do not earn profit for correcting construction deficiencies following delivery that are determined to be the shipbuilder's responsibility.

Unmet COCOM Cruise Missile Defense Requirement

On March 10, 2016, Commander of U.S. Northern Command and North American Aerospace Defense Command Admiral William Gortney testified before the committee that the operational exercise of the Joint Land Attack Cruise Missile Defense Elevated Netted Sensor System (JLENS) "has been an opportunity for us to see how well JLENS can fit into the existing Integrated Air Defense System (IADS) of the National Capitol Region (NCR)." Furthermore, he stated that, "the JLENS system shows great promise in defense of the NCR," particularly in detecting cruise missile threats.

The committee notes that certain adversaries are advancing their capability to deploy cruise missiles against the United States. The committee believes that technologies should be employed above the horizon to detect such cruise missile threats to the homeland. The committee is aware that the JLENS system could fill a sensitive capability gap within a layered missile defense architecture.

Therefore, the committee directs the Secretary of Defense, in coordination with the Commander of U.S. Northern Command, to submit to the congressional defense committees no later than September 30, 2016, a plan for meeting this capability gap for the NCR. This plan should consider such options as restarting and completing the JLENS operational exercise, including at alternative sites.

USAF Eagle Vision program

The committee is aware the Air Force's Eagle Vision program is a deployable ground station for collecting commercial, unclassified and releasable satellite imagery. It provides timely, flexible, and tailored products and services to warfighters and our domestic first responders. Eagle Vision excels in military operations, contingency operations, foreign humanitarian assistance, operational planning, and exercise support as well as playing a major role in disaster response world-wide, with a particular focus on responses here in the United States for events such as hurricanes and floods. In 2014 and 2015, the Eagle Vision program directly supported more than 85 disaster relief efforts, and since its inception has deployed over 40 times in support of major operations. However, the committee is concerned the Air Force has continually failed to address Eagle Vision program funding shortfalls, putting the system's critical operational capabilities at risk year after year.

Therefore, not later than 60 days following the enactment of this Act, the Committee directs the Secretary of the Air Force to submit

a report to the congressional defense committees on the current funding status of the Eagle Vision program, the effects decreased funding levels will have on the Eagle Vision System's capabilities to support domestic disaster relief operations, the funding plans for the future, as well as the long-term plan for the continued use of the Eagle Vision system.

V–22 defensive weapon system

The capabilities of the V–22 tiltrotor aircraft has led to significant demand for the aircraft within the U.S. military. The V–22 may be limited in certain circumstances where a lack of on-board defensive weapons and the absence of armed escorts could result in situations with too much risk resulting from employing the aircraft.

At various times, Marine Corps and Special Operations Command officials have expressed a desire for providing better armament for their respective versions of the V–22. However, the committee is unaware of any formal requirement for such a capability. With the increasing usage of these aircraft, it is important for the committee to understand whether there is such a need, and, if there is, how the Department of Defense intends to fill that need.

To support this effort, the committee directs the Commandant of the Marine Corps and Commander, U.S. Special Operations Command (USSOCOM) to report to the congressional defense committees on: (1) requirements that may be identified by the Marine Corps and USSOCOM; and (2) how the Department of Defense intends to meet those requirements. The Commandant and Commander, USSOCOM should submit that report no later than the submission of the President's budget request for fiscal year 2018.

***Virginia*-class submarines**

The committee recognizes the need for more fast attack submarines and supports Navy's plan to build two *Virginia*-class submarines per year with inclusion of the Virginia Payload Module beginning in fiscal year 2019. The committee is concerned that the President's fiscal year 2017 budget request includes only one *Virginia*- class submarine procurement in fiscal year 2021.

The committee commends the performance of the *Virginia*-class submarine program and supports the Navy's budget request for $3.2 billion in procurement and $1.8 billion in advanced procurement for this program in fiscal year 2017. The committee notes that on April 6, 2016, Assistant Secretary of the Navy for Research, Development, and Acquisition Sean Stackley testified, "The *Virginia*-class submarine program has delivered the last eight ships on budget and ahead of schedule."

The Navy currently has a validated requirement for 48 attack submarines, which was established in 2006. The committee believes that much has changed in the global security environment since 2006 and supports the Navy's effort to develop an updated requirement for attack submarines.

While the Navy currently has a fleet of 53 attack submarines, as Admiral John Richardson testified on March 15, 2016, the Navy is only "able to meet about 50 to 60 percent of combatant commander demands right now" for attack submarines. During the committee's

hearing on the posture of U.S. Pacific Command, Admiral Harry Harris, Jr. affirmed that fact when he observed that *Virginia*-class ships are "the best thing we have" and that he "cannot get enough of them fast enough" for his theater of operations.

Due to the retirement of *Los Angeles*-class submarines, the committee notes that the number of attack submarines in the fleet will decline by 23 percent to 41 submarines in 2029. The committee is concerned that the declining size of the attack submarine fleet, combined with a more challenging security environment and growing demand for the unique capabilities that attack submarines provide, will create additional national security risks.

The committee was encouraged by the March 15, 2016 testimony of the Secretary of the Navy and the Chief of Naval Operations, as well as the April 6, 2016 testimony of Secretary Stackley and Vice Admiral Joseph Mulloy, who expressed a desire to procure two *Virginia*-class submarines in 2021 to mitigate the future attack submarine shortfall and highlighted an ongoing review into whether or not the Navy will accrue sufficient savings in the *Ohio*-class replacement and *Virginia*-class submarine programs to enable procurement of a second *Virginia*-class submarine in fiscal year 2021.

The committee supports the efforts of Navy officials to pursue procurement of a second *Virginia*-class submarine in fiscal year 2021, if the Navy can demonstrate the submarine industrial base will have the production and workforce capacity necessary to procure a second attack submarine in fiscal year 2021 without negatively impacting the *Ohio*-class replacement and *Virginia*-class submarine programs.

The committee believes that it is important to provide the industrial base with advance notice of changes in the *Virginia*-class submarine procurement profile, which enables the Navy and industrial base to maximize efficiencies, increase savings, and provide the lead time necessary to ensure workforce and production capacity are sufficient for the additional workload.

Warfighter Information Network-Tactical (WIN–T)

The committee is aware that the Army's Warfighter Information Network-Tactical (WIN–T) is intended to be the foundation for the Army's tactical network modernization strategy and a critical component of the suite of tactical mission command systems currently being fielded. The Army assesses this program as essential to warfighter communications capabilities and will continue to deliver incremental improvements in command and control superiority over time. WIN–T is to introduce a mobile, self-forming/self-healing network using satellite and terrestrial on-the-move capabilities and high-bandwidth radio systems to keep mobile forces connected, communicating, and synchronized. It has two increments.

WIN–T Increment 1 (Inc 1) provides Networking "At the Halt." It is the Army's current tactical network, originally fielded to 222 brigades, division/corps headquarters, and signal battalions. Initial fielding was from 2004–2012. The Inc 1 capability was upgraded to use military satellites, reducing costs to commercial satellite leases. A subsequent upgrade to improve the efficiency of satellite communications and interoperability with other units will be completed in fiscal year 2016.

WIN–T Inc 2 is intended to provide the Army with on-the-move networking capability. The WIN–T Inc 2 network retains capabilities delivered by WIN–T Inc 1.WIN–T Inc 2 employs satellite communications while on-the-move to extend the network in maneuver brigade down to the Company level for the first time. The program is in full rate production. Total WIN–T costs to date are over $5.7 billion. The current program is intended to spend an additional $9.0 billion. The total program cost is estimated to be over $14.0 billion.

Currently the Director of Cost Assessment and Program Evaluation (CAPE) has contracted with an independent entity to conduct a comprehensive assessment of the WIN–T program. CAPE is assessing current and future requirements and capabilities to determine the technological feasibility, achievability, suitability, and survivability of a tactical communications and data network.

The committee has observed many problems with WIN–T, especially in regard to Inc 2. Many problems have been observed in integrating the "upper tactical network" with the "lower tactical network." These problems disrupt connectivity between brigade combat teams and battalions with companies. Integrating WIN–T hardware with armored vehicles has yet to be conclusively determined. It is unclear if the Army has fully defined the requirements for tactical close combat forces at company level. The committee understands that the Army is reassessing the total requirement and determining a new course of action in light of the above noted problems.

The committee encourages the Army in its efforts to repair identified problems and to more carefully redefine its requirements for the WIN–T program.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Subtitle A—Authorization of Appropriations

Authorization of appropriations (sec. 201)

The committee recommends a provision that would authorize the appropriations for research, development, test, and evaluation activities at the levels identified in section 4201 of division D of this Act.

Subtitle B—Program Requirements, Restrictions, and Limitations

Modification of mechanisms to provide funds for defense laboratories for research and development of technologies for military missions (sec. 211)

Since its establishment in section 219 of the Duncan Hunter National Defense Authorization Act for Fiscal Year 2009 (Public Law 110–417), the availability of funding for defense laboratories for the research and development of technologies for military missions has been extremely beneficial for Department of Defense laboratories. Among other things, laboratory directors have been able to use section 219 funding to carry out basic and applied research, transition promising technologies, and perform minor military construction of laboratory infrastructure. To expand the potential and the benefits of this funding mechanism even further, the committee recommends a provision that would raise the limit of section 219 funds authorized to 4 percent of all funds available to a laboratory.

Through various discussions with the Department of Defense, the committee has become aware that while laboratory directors welcome the provision and expenditure of section 219 funds, several have been hampered in using these authorities by policies or regulations of their respective service enterprises. Not only do such policies and regulations, which often restrict the amount of section 219 funds a lab can spend, undermine the purpose of providing this authority, but they also ignore the clear intent of the committee and of Congress as established in this statute. The committee directs all military services to examine policies and regulations impacting the expenditure of section 219 funds and to eliminate any restrictions on their use within 180 days of enactment of this Act.

In addition, the recommended provision would remove the sunset date that is currently imposed on the section 219 provision. After 7 years of implementation, the committee is satisfied that the section 219 program has been used effectively and has led to improvements in the operations of defense laboratories. The committee believes that the sunset provision is no longer necessary.

Making permanent authority for defense research and development rapid innovation program (sec. 212)

The committee notes that the Department of Defense has established a Rapid Innovation Program to accelerate the fielding of innovative technologies, as authorized in the Ike Skelton National Defense Authorization Act for Fiscal Year 2011 (Public Law 111–383). The committee further notes that the Department has established a competitive, merit-based process to solicit proposals from interested contractors, review and select projects based on military needs and standardized evaluation criteria, and award contracts to execute program projects. The committee is encouraged that the military services and other defense entities participating in the program have practices and tools in place to manage and monitor the execution of projects. In recognition of the success of the program, the committee recommends a provision that would amend Section 1073 of the Ike Skelton National Defense Authorization Act for Fiscal Year 2011 (Public Law 111–383) to repeal the sunset provision of the Rapid Innovation Program and make the authorization of the program permanent.

Authorization for National Defense University and Defense Acquisition University to enter into cooperative research and development agreements (sec. 213)

The committee recommends a provision that would amend sections 2165 and 1746 of title 10, United States Code, to authorize the Defense Acquisition University and the National Defense University to enter into cooperative agreements, which involve the provision of grant money, and cooperative research and development agreements with universities, not-for-profit institutions, and other entities to support their designated missions. The committee notes that this kind of engagement can support efforts to promote the rapid transfer of technology from defense research activities to commercial development or deployment in military systems, as well as to develop new acquisition practices, models, and tools to support efforts at continuous acquisition reform.

The committee also recognizes that the National Security Technology Accelerator is an important pilot program making vital contributions in the field of technology innovation. The committee urges the National Defense University to continue to give priority to the work of the National Security Technology Accelerator and, using the authority in the recommended provision, enable it to work through university partners for the execution of its mission.

Manufacturing Universities Grant Program (sec. 214)

The committee recommends a provision that would spur the Department of Defense to provide grants to institutions of higher education, including technical and community colleges, for the purposes of enhancing education in manufacturing engineering. The provision would help institutions of higher education strengthen their engineering programs, bolster their efforts to focus on manufacturing engineering and curricula, and meet the growing demands of the 21st century manufacturing.

Increased micro-purchase threshold for basic research programs and activities of the Department of Defense science and technology reinvention laboratories (sec. 215)

The committee recommends a provision that would amend chapter 137 of title 10, United States Code, to increase the micro-purchase threshold (MPT) in Department of Defense basic research and laboratories activities from $3,000 to $10,000. In raising this limit, this provision would allow appropriate organizations, such as universities, defense labs, and other performers, to authorize personnel, as appropriate, to have higher limits on their government purchase cards to facilitate easy and administratively efficient purchasing of small dollar items. This increase provided in the provision would affect less than one percent of federal contract spending, but could allow hundreds of thousands of transactions to be conducted more efficiently. This proposal would not make changes to the thresholds in the Davis-Bacon Act of 1931 (Public Law 71–798) or the McNamara-O'Hara Service Contract Act of 1965 (41 U.S.C. 351–358). Nor would it change the threshold levels that are authorized during contingency operations or certain other types of emergencies.

The committee believes that government purchase cards give agency end users an efficient tool to make simple purchases themselves and, at the same time, offer a number of additional benefits for both the agency and its vendors. In the two decades since the MPT was established, purchase cards have reduced transaction costs for government payment offices by lowering the number of budgetary/accounting entries that need to be processed in financial management systems, allowed agencies to earn rebates, and helped vendors receive timely payment without the burden of having to process government invoices. Equally important, by putting purchase cards into the hands of properly trained end users to make purchase directly, the burden of making micro-purchases has largely been lifted from the shoulders of contracting officers, allowing them to instead give greater attention to larger, more complex procurements, where their acquisition training and expertise can be put to better use and have greater impact.

The committee notes that the MPT was adjusted for inflation in 2010 from $2,500 to $3,000 and that it would be adjusted again this year to $3,500, pursuant to authority provided in 41 United States Code 1908. While these adjustments will help agencies to leverage the efficiencies of the purchase card for additional small dollar transactions, the committee understands that there are many needs in the defense research enterprise between $3,000 and $10,000 that can be more efficiently acquired with a purchase card in the hands of a trained end user. Some of these routine needs did not exist in the 1990s or 2000s and therefore were not envisioned when the MPT level was first established. Such needs include digital services, web applications, application program interfaces, simple cloud services, scalable web hosting services, case management, platforms to support on-line interactive dialogues, IT systems monitoring, and tools to measure and improve digital customer experiences. All of these could be purchased easily by program and IT technical experts through existing government-wide and multi-

agency contracts that include pre-negotiated terms and conditions which are well suited for small dollar purchases.

The committee notes that data from the Council on Governmental Relations show that raising the MPT to $10,000 will be a fair and safe harbor. In addition, a survey by the Association of Independent Research Institutes showed that setting the MPT at $10,000 provides coverage for approximately 70 percent of total dollar expenditures while requiring only 3 percent of total transactions to be individually examined, which is highly effective.

The committee notes that purchase card activity must be conducted in accordance with strong financial management controls that help agencies detect and prevent fraud, waste and abuse. In the past 10 years, federal agencies have deployed a number of systems and internal controls to reduce the risk of fraud, waste, abuse, and misuse associated with the purchase card. Also for the Department of Defense, the Office of Defense Procurement and Acquisition Policy (DPAP) maintains a robust website on the purchase card, which includes current policy documents and guides whose purpose is to help department officials establish and manage charge card programs. As required, DPAP publishes policies and procedures used by the department to ensure that the objectives of the purchase card program are realized and that an effective system of internal controls is in place to mitigate the potential for fraud, misuse, and abuse. Additionally, Defense policy requires all cardholders, approving officials, and certifying officials to complete basic purchase card training prior to assuming their official purchase card program roles and responsibilities. Purchase card refresher training is required every two years thereafter. The committee is encouraged that the department has implemented automated oversight systems to provide managers visibility of internal control effectiveness in mitigating the risk of improper purchases.

Finally, the committee encourages the General Services Administration to continue to ensure there is appropriate transparency of purchase card activity so information on use of the purchase card below the micro-purchase threshold is available to the public, consistent with agency security requirements.

Directed energy weapon system programs (sec. 216)

The committee remains concerned about the Department of Defense's inability to field an operational directed energy system. The committee is aware that the military services and industry partners have developed sufficient directed energy weapon capabilities for specific scenarios—like the High Energy Laser Mobile Demonstrator (HEL–MD) to counter rocket, artillery and mortar for base protection purposes and the Counter Electronics High Powered Microwave Advanced Missile Project (CHAMP) for disabling an adversary's electronics while avoiding collateral damage. These programs, as well as other high energy laser weapon systems, have been tested and demonstrated, but have failed to transition to acquisition programs of record.

The committee notes that directed energy capabilities have the potential to support many operational missions in cost effective and efficient manners. In response to these factors, the committee recommends a provision that would amend section 806 of the Bob

Stump National Defense Authorization Act for Fiscal Year 2003 (Public Law 107–314) to grant rapid acquisition authorities for directed energy weapon systems to accelerate the development and fielding of this technology and to help offset the gains of potential adversaries.

The committee notes that since 1960, the Department of Defense has invested more than $6.0 billion in directed energy science and technology initiatives. However, the committee remains concerned that, despite this significant investment, the Department's directed energy initiatives are not resourced at levels necessary to transition them to full-scale acquisition programs. The committee notes with concern that years of investment have not to date resulted in any operational systems with high energy laser capability.

The committee highlights that the Defense Science Board Task Force on Directed Energy Weapon Systems and Technology Applications found that "directed energy offers promise as a transformational 'game changer' in military operations, able to augment and improve operational capabilities in many areas." The task force further concluded that the range of potential applications is sufficient to warrant significantly increased attention to the scope and direction of efforts to assess, develop, and field appropriate laser, microwave, and millimeter wave weapons. Consistent with the findings of the task force, the committee believes that directed energy weapons systems offer significant benefits in terms of cost effectiveness, sustainability, magazine capabilities, and precision targeting.

Limitation on B–21 Engineering and Manufacturing Development program funds (sec. 217)

The committee recommends a provision that would prohibit the obligation or expenditure of any fiscal year 2017 funds for the B–21 Long Range Strike Bomber engineering and manufacturing development (EMD) program until the Air Force discloses the value of the B–21 EMD contract award made on October 27, 2015, to the congressional defense committees.

Pilot program on disclosure of certain sensitive information to contractors performing under contracts with Department of Defense federally funded research and development centers (sec. 218)

The committee recommends a provision that would establish a pilot program to permit the Department of Defense to provide Defense contractors performing under a Defense federally-funded research and development center contract with access to sensitive information necessary to carry out their assigned functions and duties.

The committee notes that the contractors at such centers are currently prohibited from acquiring timely access to sensitive information, even in instances when performance and advancement could be negatively impacted. The committee also notes that because such contractors are not federal employees, they are not subject to the Trade Secrets Act (18 U.S.C. 1905), and therefore are required to enact non-disclosure agreements with each individual entity responsible for the provision of sensitive information. However, the

committee is concerned that non-disclosure agreements with private sector entities are often not feasible in a timely manner because such entities often do not respond to requests or may no longer exist. Particularly in cases where the federally-funded research and development center is maintaining a large database of sensitive information from many different entities, the committee is concerned that preventing contractors from accessing such information could be hugely detrimental to the work of the center.

The committee notes that the recommended provision would enable the Department to more efficiently and effectively give contractors at such centers access to confidential commercial, financial, or proprietary information; technical data; or other privileged information owned by other defense contractors that is needed to perform mission critical work. The committee also notes that the Federal Acquisition Regulation Part 35 recognizes that to discharge responsibilities to the sponsoring agency, a Defense contractor performing under a federally-funded research and development center contract must have access to government and supplier data, including sensitive and proprietary data, beyond that which is common to a normal contractual relationship.

The committee notes that such contractors are considered "trusted agents" and have the highly-valued ability to provide cutting-edge and objective expert advice. These contractors provide the government with special long-term research and development assistance that cannot be met by either existing in-house or other contractor resources. Additionally, the committee notes that the acquisition regulations make clear that it is not the government's intent for such contractors to use their status or access to information to compete with the private sector.

The recommended provision would allow such contractors, upon agreement to protect such data, access to sensitive information necessary to carry out their function of providing long-term engineering, research, development, and other analytical needs that cannot be met by other employees or contractors. The provision would also make clear that such contractors are barred from using the information to gain a potential competitive advantage over other contractors.

Pilot program on enhanced interaction between the Defense Advanced Research Projects Agency and the service academies (sec. 219)

The committee recommends a provision that would authorize the Secretary of Defense to establish a pilot program to assess the feasibility and advisability of enhanced interaction between the Defense Advanced Research Projects Agency and the service academies.

Modification of authority for use of operation and maintenance funds for unspecified minor construction projects consisting of laboratory revitalization (sec. 220)

The committee recommends a provision that would modify the authority to use minor military construction to revitalize antiquated laboratories and to increase the scope of the projects that

are allowed under this provision to $6.0 million. Additionally, this provision would extend the authorization to 2025.

Budget Items

Materials technology

The budget request included $122.1 million in PE 0602105A for materials technology. The committee encourages the Army to continue to develop and rapidly field the Ground Vehicle Coating System (GVCS) that was developed by the Army Tank-Automotive Research Development and Engineering Center (TARDEC) and the Army Research Laboratory (ARL) as an affordable, infrared signature management coating for ground vehicles that is a drop-in enhancement to the current Chemical Agent Resistant Coating (CARC) coating system used on all Army and U.S. Marine Corps assets. GVCS has been evaluated in field trials and provided significant survivability benefits. At less than $10,000 per vehicle, GVCS provides project managers with an affordable means of improving signature while having zero impact to vehicle space, weight, and power. The committee recommends an increase of $5.5 million in PE 0602105A to fund the Department of Defense chemical agent resistant coating commodity manager requirements to field ground vehicle coating system material.

Sensors and electronic survivability

The budget request included $36.1 million in PE 62120A for sensors and electronic survivability. The committee notes that a major thrust within the Department's Third Offset Initiative is the development and deployment of advanced robotic systems that can work in partnership with warfighters to enhance combat effectiveness. To support continued development of advanced human-robotics interaction capabilities, the committee recommends a general program increase of $2.0 million in PE 62120A.

Social science research

The budget request included $26.0 million in PE 62785A for the manpower, personnel, and training technology program. The committee notes that this program element conducts applied behavioral and social science research to enhance the overall military experience for soldiers. While the committee agrees that understanding performance, behavior, attitudes, and resilience is important for maintaining a strong fighting force, it recognizes that this work is not unique to the Army and furthermore that other organizations both in and out of government are better equipped to carry out social science research. In particular, the committee notes that research into leadership and culture, as well as research on personnel, is duplicative of other efforts. The committee is not convinced that such work is a high priority for the Army. Therefore, the committee recommends a program decrease of $5.0 million in PE 62785A to reduce duplication while still preserving important portions of this program element, such as research into readiness and methods for reducing sexual harassment.

Army vehicle prototyping

The budget request included $122.1 million in PE 63005A for combat vehicle and automotive advanced technology. The committee notes that the Tank Automotive Research Development and Engineering Center possesses the facilities, procedures, workforce, and leadership to fully develop armored fighting vehicle prototypes and encourages the Army to fully exploit the unique capabilities of the Center. The committee understands that the Center can develop concepts to meet emerging requirements; test developmental concepts with soldier involvement; model, virtually test, and modify designs; integrate new technologies; and manufacture, test, and demonstrate prototypes. The committee believes that if the Center is employed to its full potential, future acquisition efforts would be accelerated and developmental costs would be reduced. Accordingly, the committee recommends an increase of $50.0 million in PE 63005A for the funding of Project 440: advanced combat vehicle technology for demonstration or prototyping.

Electronic warfare technology

The budget request included $27.9 million in PE 63270A for electronic warfare technology. The committee notes that each of the military services, the Office of the Secretary of Defense, and the Defense Advanced Research Projects Agency have extensive programs and investments with a goal of advancing electronic warfare capabilities. The committee is concerned that these programs are not well-coordinated, nor are they leveraging the best available commercial technologies, particularly in areas such as dynamic spectrum-sharing. In particular, the committee notes that a significant portion of the budget request is for effective electronic warfare countermeasures. However, the committee notes that such countermeasures are not unique to the Army and therefore need coordination with other organization. To encourage the Army to collaborate more fully with others on electronic warfare countermeasures, the committee recommends a program decrease of $5.0 million in PE 63270A.

Advanced tactical computer science and sensor technology

The budget request included $44.2 million in PE 63772A for advanced tactical computer science and sensor technology. The committee notes that this program element matures and demonstrates technologies that allow soldiers to effectively collect, analyze, transfer, and display situational awareness information in a network-centric battlefield environment. The committee notes that much of the work performed in this program overlaps with efforts by other services. In addition, the committee understands that private sector firms are developing many of the same technologies that this program element is meant to address. Therefore, the committee recommends a program decrease of $5.0 million in PE 63772A, and encourages the Army to more closely coordinate its efforts with the services and with private sector. The committee notes that the recommended decrease would still allow the Army to continue research into the critical areas of the program element, such as command and control and situational awareness.

Small Arms Improvement

The budget request included $7.6 billion for Research, Development, Test, and Evaluation, Army of which $10.6 million was for Small Arms improvement in PE 63827A Soldier Systems Advanced Development. The committee recommends an increase of $9.4 million to accelerate development of new small arms weapons and small arms ammunition improvements.

Army contract writing system

The budget request included $20.7 million in Research, Development, Test, and Evaluation, Army, PE 65047A, for army contract writing system. The committee is concerned that the Army is planning to spend over $200.0 million on software to write contracts.

The committee recommends a reduction of $20.7 million in Research, Development, Test, and Evaluation, Army, PE 65047A, for Army contract writing system. The committee urges the Army to analyze lower cost alternatives for this business function.

Integrated Personnel and Pay System—Army

The budget request included $7.5 billion in Research, Development, Test, and Evaluation (RDT&E), Army, of which $155.6 million was for PE 605013A Integrated Personnel and Pay System—Army (IPPS–A).

The committee is concerned with the significant cost increases to the program for Defense Information Systems Agency (DISA) services. Further, the committee is concerned regarding escalating program management support costs and facility and lease cost increases.

The committee recommends a reduction of $20.0 million for PE 605013A Integrated Personnel and Pay System—Army (IPPS–A) for Integrated Personnel and Pay System—Army Increment 2.

Aircraft survivability development

The budget request included $114.2 million in PE 0605051A for aircraft survivability development. The committee recommends an increase of $13.0 million in PE 0605051A.

Additional funding for aircraft survivability development was included on the Chief of Staff of the Army's unfunded priority list.

Technical information activities

The budget request included $33.3 million in PE 0605803A for technical information activities. The committee recommends an increase of $2.5 million in PE 0605803A. Additional funding for the Army geospatial enterprise will improve the Army's ability to provide needed hardware and software to improve interoperability between mission command systems.

Aerostat joint project—COCOM exercise

The budget request included $45.5 million in PE 0202429A for aerostat joint project-combatant command exercise. Due to operational mishaps the committee recommends a decrease of $41.0 million in PE 0202429A the aerostat joint project.

Combat vehicle improvement programs

The budget request included $316.8 million in PE 0203735A for combat vehicle improvement programs. The committee recommends an increase of $12.0 million in PE 0203735A for the integration of active protection systems (APS) on Army armored fighting vehicles. Additional funding for APS was included on the Chief of Staff of the Army's unfunded priority list.

Army Global Combat Support System Increment 2

The budget request included $1,304.1 million in Research, Development, Test, and Evaluation (RDT&E) for RDT&E Operational Systems Development, of which $25.2 million was for Army Global Combat Support System (GCSS) Increment 2.

The committee is concerned that the Army has not completed Increment 1 of GCSS–Army and that the current plan for Increment 2 software upgrades will cost in excess of $200 million over five years.

The Committee recommends a reduction of $25.2 million in RDT&E, line 196, Program Element 33141A, for Army Global Combat Support System Increment 2 and for the Army to provide alternatives to the committee regarding the need for the capabilities provided by Army Global Combat Support System Increment 2.

Distributed Common Ground/Surface System

The budget request included $32.3 million in PE 0305208A for Distributed Common Ground/Surface System. The committee notes changing tactical requirements. Therefore the committee recommends a decrease of $32.0 million in PE 0305208A.

Undersea warfare applied research

The budget request included $126.3 million in PE 62747N for undersea warfare applied research. The committee notes that undersea warfare is a key tenet of the Third Offset strategy, but that the development of next generation capabilities in this domain is required to address challenges in sensing, signature control, propulsion, and advanced materials. Consequently, the committee recommends an increase of $10.0 million in PE 62747N.

Power projection advanced technology

The budget request included $96.4 million in PE 63114N for power projection advanced technology. The committee notes that the Navy, Air Force, Defense Advanced Research Projects Agency, Strategic Capabilities Office, and other elements within the Department of Defense are all pursuing advanced power projection technologies and systems. The committee is concerned that these efforts are not well-coordinated and have uncertain pathways for transition to programs of record. In addition, the committee notes that the budget request represents an almost 200 percent increase over the amount enacted for fiscal year 2016. The committee believes that such a large increase in budget is not warranted and is concerned about the ability of the programs to absorb the additional funding. Consequently, the committee recommends a decrease of $15.0 million in PE 63114N, but directs that this reduction not be assessed against solid state laser maturation efforts.

Capable manpower and power and energy

The budget request included $249.1 million in PE 63673N for future naval capabilities advanced technology developments. The activities listed under this program element include capable manpower and power and energy. The committee believes that the work plans for fiscal year 2017 on these activities does not warrant the level of funding included in the budget request. For example, the committee notes that the research included in these two projects include development of new personnel and management methodologies, and capabilities in energy security. Both of these efforts could be better coordinated with other organizations performing similar research. Consequently, the committee recommends a decrease of $10.0 million in PE 63673N to be distributed appropriately from capable manpower and power and energy.

Large diameter unmanned underwater vehicle

The budget request included $165.8 million in PE 63502N for research, development, test, and evaluation of surface and shallow water mine countermeasures. The committee notes the Navy planned to spend $19.5 million in fiscal year 2016 on large diameter unmanned underwater vehicle product development. In fiscal year 2016, the Navy shifted the acquisition strategy from an industry prime contractor to a government lead system integrator. As a result, the committee recommends a decrease of $1.5 million to this program due to available prior year funds that were requested for source selection activities.

Littoral Combat Ship mission modules

The budget request included $160.1 million in PE 63596N for research, development, test, and evaluation of Littoral Combat Ship mission modules. The committee notes the Navy planned to spend $30.9 million in fiscal year 2016 to complete operational testing. Due to developmental test results, the Navy cancelled operational testing. As a result, the committee concurs with a Government Accountability Office finding and recommends a decrease of $30.9 million to this program due to available prior year funds.

Amphibious ship replacement LX(R)

The budget request included $6.4 million in PE 64454N for research, development, test, and evaluation (RDTE) of LX(R), which is expected to functionally replace LSD–41 and LSD–49 class ships. The committee supports accelerating the construction of LX(R) class ships, provided the ships are competitively awarded. The committee notes the President's budget request reduced LX(R) RDTE funding in fiscal years 2017 through 2019 by a total of $29.0 million. Navy officials have stated an additional $19.0 million is required in fiscal year 2017 to maintain an accelerated schedule. Therefore, the committee recommends an increase of $19.0 million for this program.

Extra large unmanned underwater vehicle

The budget request included $75.6 million in PE 64536N for research, development, test, and evaluation of advanced undersea prototyping. The committee notes the President's budget request

for this program element provides for the prototyping and testing of extra large unmanned undersea vehicles (XLUUV), including procurement of five vehicles and the lease of one vehicle. Based on the Navy budget justification information, the committee supports the procurement of two XLUUVs and the lease of a second similar vehicle. Understanding the operational need, the committee views the risk of developing five XLUUV prototypes concurrently as excessive and supports funding only the two XLUUVs that will begin fabrication in fiscal year 2017. The committee recognizes leasing a commercially available vehicle will enable refinement of tactics, techniques, and procedures. Therefore, the committee recommends a decrease of $34.4 million for this program.

Marine Corps cyber protection team fly-away kits

The budget request included $4.9 million for the Cyber Operations Technology Development program, Navy exhibit R–1, line 162, Program Element 36250M. The committee recommends an increase of $1.8 million to respond to a Marine Corps Unfunded Priority List (UPL) request for Cyber Protection Team (CPT) "fly-away" kit hardware and software necessary to hunt malicious cyber actors, triage vulnerabilities, and remediate the intrusions and exploitation of compromised computer networks.

Management, technical, and international support

The budget request included $87.1 million in PE 65853N of research, development, test, and evaluation, Navy for management, technical, and international support. The committee notes the following projects contain unjustified growth: 2098 ($4.3 million), 2221 ($3.9 million), 0149 ($1.0 million), and 3330 ($1.6 million). Therefore, the committee recommends a decrease of $10.8 million to this program.

Aerospace propulsion

The budget request included $185.7 million in PE 62203F for aerospace propulsion. The committee notes that the Department is continuing efforts to improve the performance and efficiency of advanced engine technologies to reduce costs and increase operational effectiveness. The committee also notes that the National Research Council's Air Force Studies Board recently found that "to accelerate the development of new engine technologies, the Air Force gas turbine S&T funding should be increased significantly", including in areas such as "high-temperature, high-heat-sink fuels for thermal management, lightweight structures, and signature control." Consistent with this recommendation, the committee recommends an increase of $5.0 million in PE 62203F to support research on advanced turbine engine technologies.

High energy laser joint technology office

The budget request included $42.3 million in PE 62890F for high energy laser research. The committee notes that this program element funds defense high energy laser applied research through the High Energy Laser Joint Technology Office. However, the committee is concerned that the Joint Technology Office has not received sufficient funding in recent years to drive the maturation of

high energy laser technology. As an example, the committee notes with concern that no laser technologies have yet been fielded or deployed, despite promising development and field tests. Given the importance of directed energy weapons systems in general as noted elsewhere in this Act, and of high energy laser systems in particular, the committee is concerned that budget request for this program element will be insufficient for supporting the joint technology office. Accordingly, the committee recommends an increase of $5.0 million in PE 62890F for the high energy laser joint technology office.

Silicon carbide for aerospace power applications

The budget request contained $94.6 million in PE 63216F for aerospace propulsion and power. The committee notes that recent research in aerospace power electronics has concentrated on fundamental materials, devices, and power-handling capability.

The committee believes that the Air Force should look for opportunities to accelerate the development of actual components to go into aircraft electrical systems, especially very high-current silicon carbide power modules. The committee recognizes that the increasing sophistication and energy requirements for new systems like avionics, motor drives, computing, sensors, and even high energy lasers, will place increasing demands on the power architectures available to the constrained size and weight of aircraft. The committee also believes that such advances will have beneficial effects when applied to legacy, as well as future generation, air platforms.

Therefore, the committee recommends an increase of $5.0 million in PE 63216F, for a total of $99.6 million, to support the development of application-specific power circuit development using silicon carbide modules.

Electronic combat technology

The budget request included $58.3 million in PE 63270F for electronic combat technology. The committee notes that the Office of the Secretary of Defense, Defense Advanced Research Projects Agency, Army, Navy, and Air Force all have new initiatives focused on outreach to Silicon Valley and are all exploring technology development programs related to command and control and networking technologies. The committee is concerned that these efforts are duplicative and not well-coordinated. For example, the committee notes that a significant portion of the budget request is for effective electronic countermeasures. However, such technologies are not unique to the Air Force and therefore need coordination with other organizations. To encourage the Air Force to collaborate more fully with others on electronic warfare, the committee recommends a general decrease of $5.0 million in PE 63270F.

Battlespace knowledge development and demonstration

The budget request included $58.1 million in PE 63788F for battlespace knowledge development and demonstration. While the committee is supportive of this program element in general and understands the importance of making concrete progress in this field, it also notes that the budget request represents a significant increase of over 25 percent above the amount enacted for fiscal year

2016. The committee also notes that the amount enacted for fiscal year 2016 was itself an almost 35 percent increase over the amount enacted for fiscal year 2015. The committee is concerned about the ability of this program element to absorb such a steep ramp-up in funding. Consequently, the committee recommends a general decrease of $10.0 million in PE 63788F.

B–21 long range strike bomber

The budget request included $1.36 billion in PE 64015F for the B–21 long range strike bomber. Due to a lower than expected contract award amount to the selected vendor, the committee recommends a decrease of $302.3 million in PE 64015F.

Operationally Responsive Space program

The budget request included $7.9 million for the Operationally Responsive Space (ORS) program, Air Force exhibit R–1, line 42, Program Element 64857F. The committee recommends an increase of $10.0 million to accelerate the development of an operational demonstration of a Space Situation Awareness (SSA) satellite. This satellite is necessary for meeting U.S. Strategic Command requirements and will serve as risk reduction for a Space Based Space Surveillance Follow-on satellite. The committee also directs the ORS office to determine if the development of a small synthetic aperture radar satellite constellation could be used to meet any unmet combatant command requirements and to provide the congressional defense committees the results of that assessment no later than April 1, 2017.

Advanced Pilot Training Program

The budget request included $12.4 million in PE 65223F for the Advanced Pilot Training (APT) program. The Air Force decided to delay awarding the development contract from the fourth quarter of fiscal year 2017 until the first quarter of fiscal year 2018. Therefore, the committee recommends a decrease of $7.9 million in PE 65223F due to the availability of prior year funds.

KC–46 aerial refueling tanker aircraft program

The budget request included $261.7 million in PE 65221F for KC–46A tanker development. Due to fewer than expected engineering change proposals and lower than expected test support costs, the Air Force will not obligate or expend funds at the budgeted rate.

Therefore, the committee recommends a decrease of $140.0 million in PE 65221F due to availability of unobligated prior year funds. The committee understands that the reduction of these funds in fiscal year 2017 will not impact the program delivery schedule of the KC–46A tanker aircraft.

Evolved Advanced Extremely High Frequency MILSATCOM

The budget request included $228.1 million for the Evolved Advanced Extremely High Frequency (AEHF) MILSATCOM program, Air Force exhibit R–1, line 80, Program Element 65431F, BPAC 657104. The committee recommends a decrease of $30.0 million as a result of the delayed completion and submission to the congres-

sional defense committees of an Analysis of Alternatives (AoA) for the follow-on capability for secure, survivable anti-jam, anti-scintillation communications for strategic and tactical users.

B–2 Defensive Management System Modernization

The budget request included $315.6 million in PE 65931F for the B–2 Defensive Management System modernization program. The program experienced a contract award delay affecting fiscal year 2016 funds. Therefore, the committee recommends a decrease of $26.7 million in PE 65931F due to availability of unobligated prior year funds.

MQ–9 automatic takeoff and landing control system

The budget request included $151.4 million in PE 25219F for MQ–9 Unmanned Aerial Vehicle (UAV). The committee recommends an increase of $35.1 million in PE 25219F for development and integration of MQ–9 Automatic Takeoff and Landing Control System (ATLCS) capability in support of the provision elsewhere in this Act for the transition to enlisted remotely piloted aircraft (RPA) operators.

Air Force Cost Estimating Module (CEM)

The budget request included $28.1 billion for Research, Development, Test & Evaluation, Air Force of which $10.5 million was for PE 901538F Financial Management Information Systems Development.

The committee notes that $4.9 million of this request was for the Air Force Cost Estimating Modeling (CEM). The committee believes this funding is unjustified.

Accordingly, the committee recommends a reduction of $4.9 million for PE 901538F Financial Management Information Systems Development for research and development of CEM and directs the Air Force to utilize or improve its existing cost estimating software as well as utilize resources from the office of Cost Assessment and Program Evaluation.

Air Force Program Budget Enterprise Service (PBES)

The budget request included $28.1 billion for Research, Development, Test & Evaluation, Air Force of which $10.5 million was for PE 901538F Financial Management Information Systems Development.

The committee notes that $1.9 million of this request was for the Air Force Program Budget Enterprise Service (PBES). The committee believes this funding is unjustified.

Accordingly, the committee recommends a reduction of $1.9 million for PE 901538F Financial Management Information Systems Development for PBES and directs the Air Force to utilize its existing enterprise research planning software systems as well as legacy systems to meet its budget formulation requirements.

Budget request realignments

The Air Force requested the committee make a realignment in the budget to correct an error in their submission of the Research,

Development, Test, and Evaluation, Air Force (RDTEAF) documentation. The table below reflects this adjustment:

CHANGE TO CORRECT SUBMISSION ERRORS

(in millions)

Item	Account	Line Item	Amount
ISPAN Inc 5	RDTEAF	124	−$8.9
ISPAN Inc 5 EMD	RDTEAF	124a	+$8.9
Shared Early Warning Sys	RDTEAF	222	−$5.0
Atmospheric Warning Sys	RDTEAF	222a	+$5.0

Operational energy capability improvement increase

The budget request included $3.4 billion in Research, Development, Test, and Evaluation (RDT&E) Defense-wide, of which $37.3 million was for the PE 0604055D8Z Operational Energy Capability Improvement.

The committee recognizes the combat requirement to improve operational effectiveness via targeted and competitive operational energy science and technology investments.

Accordingly, the committee recommends an increase of $4.0 million in RDT&E, PE 0604055D8Z, for Operational Energy Capability Improvement.

Post intercept assessment acceleration

The budget request included $439.6 million in Research, Development, Test, and Evaluation, Defense-wide, PE 63896C, for Ballistic Missile Defense command and control in support of the Missile Defense Agency. The committee recommends an increase of $10.0 million to allow earlier integration of command and control/battle management with the space-based kill assessment program by two years to field spiral 8.2–5 of increment 6 in fiscal year 2020.

Israeli cooperative missile defense program

The budget request included $103.8 million in Research, Development, Test, and Evaluation, Defense Wide, PE 63913C, for Israeli Cooperative Programs in support of the Missile Defense Agency. The committee recommends an increase of $135.0 million in PE 63913C to reduce development risk and continue the modernization of Israeli's multi-tiered missile defense systems. The additional funding shall be apportioned as follows: $25.0 million for the Arrow-3 system; $50.0 million for the base-line Arrow program; and $60.0 million for the David's Sling program.

Ground based interceptor booster acceleration

The budget request included $274.1 million in Research, Development, Test, and Evaluation, Defense-wide, PE 64874C, for improved homeland defense interceptors in support of the Missile Defense Agency. The committee recommends an increase of $30.0 million to accelerate the development and initial fielding of an upgraded ground based interceptor booster to enhance survivability, mitigate current obsolescence and expand homeland defense capa-

bilities against emerging threats. This acceleration would allow for earlier flight testing and accelerate the initial fielding and replacement of older boosters in fiscal year 2021 versus fiscal year 2022.

Redesigned kill vehicle risk reduction

The budget request included $274.1 million in Research, Development, Test, and Evaluation, Defense-wide, PE 64874C, for improved homeland defense interceptors in support of the Missile Defense Agency. The committee recommends an increase of $25.0 million to accelerate the system engineering and risk reduction testing to reduce schedule risks for a critical design review for the redesigned kill vehicle program in late fiscal year 2017 and the first flight test in fiscal year 2018.

Multiple object kill vehicle technology maturation

The budget request included $71.5 million in Research, Development, Test, and Evaluation, Defense-wide, PE 64894C, for the Multiple-Object Kill Vehicle in support of the Missile Defense Agency. The committee recommends an increase of $50.0 million to fund technology maturation and risk reduction for key technologies, including advanced sensors and new propulsion systems critical to enabling the Multiple-Object Kill Vehicle.

High altitude long endurance solar powered unmanned aircraft

The budget request included $3.4 billion in Research, Development, Test, and Evaluation (RDT&E) Defense-wide, of which $10.4 million was for the PE 0603923D8Z Coalition Warfare.

The committee recognizes the combat requirement for more persistent and long endurance unmanned aircraft systems on the battlefield.

Accordingly, the committee recommends an increase of $1.0 million in RDT&E, PE 0603923D8Z, for high altitude long endurance solar powered unmanned aircraft systems.

Corrosion control and prevention funding increase

The budget request included $6.9 billion in Research, Development, Test, and Evaluation (RDT&E) for Advanced Component Development & Prototypes, of which $3.8 million was for PE 0604016D8Z Department of Defense (DOD) Corrosion Program.

The committee continues to be concerned that the Department consistently underfunds the DOD Corrosion Program. The DOD estimates that the negative effects of corrosion cost approximately $22.9 billion annually to prevent and mitigate corrosion of its assets, including military equipment, weapons, facilities, and other infrastructure.

Accordingly, the committee recommends an increase of $5.0 million in RDT&E, PE 0604016D8Z, for the DOD Corrosion Program.

Directed energy systems prototyping

The budget request included no money in PE 64342D8Z for defense technology offsets. The committee notes with disappointment that the administration did not view it as a priority to request funds through this program element. Particularly with the high-

profile emphasis placed on the Department of Defense's Third Offset Strategy, the committee is disappointed to see this program be unfunded. In addition, as noted elsewhere in this report, the committee is deeply disappointed with how the technology offset funding enacted in fiscal year 2016 was allocated. As noted, none of the money was put towards directed energy, in contradiction to the clear intent of Congress that half of the money be used to bolster directed energy technologies. While the committee does not recommend additional unrestricted funds for the technology offsets program, the committee underscores that directed energy systems are still critical areas of work in need of greater support and attention. The committee believes that the Department needs to focus in particular on the transition from lab development to deployment and fielding. Consequently, the committee recommends a general increase of $25.0 million in PE 64342D8Z to be used only for the purposes of directed energy systems prototyping.

Development test and evaluation

The budget request included $19.5 million in PE 65804D8Z for development test and evaluation. The committee notes that the Department continues to underinvest in developmental test and evaluation activities. A lack of robust developmental testing inevitably results in failures in operational testing. The failures of programs to meet their established testing requirements lead to cost growth and schedule slippage, as the programs make expensive and necessary fixes to systems. The committee feels that more robust development testing, combined with more disciplined and technically realistic requirements generation will improve acquisition program outcomes. Consequently, the committee recommends an increase of $5.0 million in PE 65804D8Z to support enhanced development test and evaluation capabilities.

Information Systems Security Program at the National Security Agency

The budget request included more than $1.1 billion for the Information Systems Security Program (ISSP) in the National Security Agency (NSA), which is approximately one-third of the total ISSP budget for the Department of Defense (DOD). The committee recommends, as follows, a net reduction of $30.0 million from NSA's ISSP Research, Development, Test and Evaluation (RDT&E), (program element 33140G), and Operations and Maintenance (O&M) budgets, because of higher priorities, duplication of effort, and the need to reduce overhead costs:

(1)Fusion, Analysis, and Mitigation project:

– $5.0 million in RDT&E

– $5.0 million in O&M

(2) Information Assurance project:

– $10.0 million in O&M

(3) Enterprise and Business Management subproject:

– $3.0 million O&M

(4) Strategic Engagement, Integration, and Foreign Affairs project:

– $4.0 million O&M

(5) Cryptographic Platform Engineering project:

−$3.0 million RDT&E
−$5.0 million O&M

(6) Enterprise Trusted Systems for Advanced Cross Domain Solutions project:

+$5.0 million RDT&E

As noted above, the committee recommends an increase for cross-domain solutions because cross-domain systems represent one of the most significant vulnerabilities for classified networks—where they connect to less-secure networks. The committee is concerned that the budget for this NSA program to enhance the security of cross-domain solutions and to modernize them for cloud environments has been disproportionately cut in recent years. In addition to the increase of $5.0 million, the committee recommends that the DOD Chief Information Security Officer consider transferring resources to this project from the Active Cyber Defense and Cyber Situational Awareness subprojects, as these efforts appear redundant to other DOD programs and compete with commercial solutions and Defense Advanced Research Projects Agency programs.

Sharkseer 2.0

The budget request included unspecified amounts for the Sharkseer program, Defense-Wide exhibit R–1, line 203, Program Element 33140G. The committee recommends an increase of $16.0 million for research and development to extend the Sharkseer architecture, connections, and information sharing beyond the perimeter defense boundary.

The committee has strongly supported the Sharkseer program since its inception as a novel effort to rapidly acquire and integrate advanced commercial cybersecurity technology for detecting intrusions and malware for which signatures are not already known. Sharkseer is being deployed at all Department of Defense (DOD) perimeter gateways to filter web traffic, and by all accounts is performing well.

The committee has been concerned that DOD's cybersecurity solutions have tended to be deployed in piecemeal fashion, as isolated, stand-alone capabilities. Perimeter defenses, endpoint/host-based capabilities, continuous monitoring and asset management capabilities, the patchwork of incident response and remediation tools, intermediate-level regional security systems, "big data" analytics of masses of packet and session metadata, and the tools and activities of Cyber Protection Teams and Computer Network Defense Service Providers are not interoperable, are not tied together under overarching concepts of operation and architectures, and cannot seamlessly and instantly share machine-readable indicators of compromise or otherwise tip and cue each other.

The committee is concerned that despite the billions of dollars invested in perimeter defense, the department's ability to rapidly identify and remediate cyber vulnerabilities remains time and resource intensive. Because of this stove-piped nature of the existing architecture, the committee is concerned that the department's ability to defend the Department of Defense Information Network against future adversaries will be limited by its ability to network its many sensors to identify malicious activities and rapidly isolate

and remediate that malicious activity in cyber relevant time frames.

The committee is aware of the productive efforts of joint working groups, composed of experts from the Principal Cyber Adviser's cross-functional team, the Joint Staff, the Under Secretary of Defense for Acquisition, Technology and Logistics, and the Chief Information Officer, to define operational views, requirements, and plans for the foundational building blocks for integrated cyber operations, such as the Unified Platform. Likewise, United States Cyber Command staff are grappling with the same issues and exploring commercial technology solutions. The committee also notes the sustained efforts of the DOD Chief Information Security Officer (CISO) to create an integrated cybersecurity enterprise capability with limited resources and authority.

The committee believes that the Sharkseer team has the vision, technical depth, and connections across the enterprise and in commercial industry to play an effective role in achieving the goal of an integrated cybersecurity enterprise. The committee directs the Sharkseer program to apply additional funding to develop and demonstrate integration of cybersecurity tools and processes across the network layers and systems, under the guidance of the DOD CISO and the Commander of U.S. Cyber Command.

MQ–9 Unmanned Aerial Vehicle

The budget request included $17.8 million in Research, Development, Test, and Evaluation, Defense-wide (RDTEDW), PE 1105219BB, for the development, integration, and testing of special operations-unique mission kits for the Medium Altitude Long Endurance Tactical (MALET) MQ–9 Unmanned Aerial Vehicle (UAV). U.S. Special Operations Command (SOCOM) is responsible for the rapid development and acquisition of special operations capabilities to, among other things, effectively carry out operations against terrorist networks while avoiding collateral damage.

The committee understands that the budget request only partially addresses technology gaps identified by SOCOM on its fleet of MQ–9 UAVs. Therefore, the committee recommends an additional $12.0 million in RDTEDW for the MQ–9 UAV.

The committee strongly supports SOCOM's efforts to accelerate fielding of advanced weapons, sensors, and emerging technologies on its fleet of MQ–9 UAVs. The committee has authorized additional funds above the budget request in each of the last 4 years to enhance these efforts and understands that SOCOM has successfully developed and acquired a number of new capabilities, including improved weapon effectiveness, target location and tracking, image resolution, and video transmission during that time. The committee expects SOCOM to update the committee periodically on its development efforts under the MALET MQ–9 UAV program.

Sharkseer email protection

The budget request for the Defense Information Systems Agency (DISA) does not include funds to sustain the effort to extend the Sharkseer "zero-day net defense" capability to the email traffic flowing across the gateway boundaries of the Department of Defense (DOD). Sharkseer is already deploying to all DISA Internet

gateway nodes to defend DOD networks against malicious hidden activity in web traffic. The committee believes it makes little sense to filter web traffic for previously unknown threats while leaving email traffic unprotected against the same types of threats. Congress provided additional funds in the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92) to assist DISA and the Sharkseer program office in the National Security Agency in getting started on this extension of zero day net defense to email. The committee recommends an increase of $11.7 million in DISA's Defense-wide Operations and Maintenance account, and $16.3 million in Defense-wide Research, Development, Test and Evaluation (program element 33140K) to sustain this initiative.

Items of Special Interest

Active protection systems

The committee encourages the Army, in cooperation with the United States Marine Corps, to rapidly acquire effective active protection systems (APS) to protect ground combat forces and weapon systems from projectiles including rocket propelled grenades and anti-tank, wire guided missiles. Key armored fighting vehicles such as M1 main battle tanks, Bradley fighting vehicles, Stryker vehicles, and armored assault vehicles should be given first priority for APS due to their mission profiles. The committee understands that APS technology is mature and fielded by some of our allies. The committee encourages the Army to acquire non-developmental, mature designs for integration and testing with our vehicles. The committee believes that such an effort will increase both force protection and combat power of our close combat maneuver forces.

Advanced airlift airship technology

The committee has maintained an ongoing interest in advanced lighter-than-air (LTA) airship technology that has the potential to add much needed cutting-edge capabilities for the Department of Defense. Among other things, airship technology can enhance logistics, Intelligence, Surveillance, and Reconnaissance (ISR), Humanitarian Assistance/Disaster Relief (HA/DR), and Non-Combatant Evacuation Operations (NEO).

The committee is aware that multiple advanced airship technology efforts during the past 20 years have all failed to establish conclusively the value of advanced lighter-than-air technology by not demonstrating clear proofs of technical viability and the benefits of superior operating utility. The National Defense Authorization Act for Fiscal Year 2012 (Public Law 112–81), recognizing that Department of Defense airship development appeared disparate, directed the Secretary of Defense to designate a senior official with responsibility for Department airship programs, to delineate this official's responsibilities and to submit reports on Department hybrid airship operational concepts and future development strategies. The National Defense Authorization Act for Fiscal Year 2014 (Public Law 113–66) further recognized the failure to consolidate a structured path forward and re-affirmed the committee's belief in the transformational potential of advanced technology airships. That legislation noted U.S. Transportation Command's stated opin-

ion that airships possess the nascent capability to enhance mobility substantially.

While some have advanced the idea of waiting for commercial firms to develop airship logistics capability, the committee is concerned that this strategy would allow the Department to evade development responsibility. However, the committee notes that several failed attempts by the commercial sector argue for the involvement of the expertise of the Department. The committee understands that properly identified, the required technologies already exist or are near final states of development. Within the wherewithal of the Department of Defense, these technologies could be demonstrated en route to a successfully executed advanced airship program. Engaged leadership and full program involvement of the Department is essential for advanced airship success.

The committee also understands that there are obstacles to a successful commercial initiative including development risk, fiscal investment requirements, and the potential for disruptive change to existing airlift technologies. Nevertheless, the committee believes that the rewards of exemplar government technology investments are, today, ubiquitous within the commercial arena and clearly show how timely involvement may have later broad-based national benefits.

The committee believes that a new advanced airship program must address two primary risk areas. First, for airship outsize airlift, the most pressing discrete problem remains cargo off-loading without the airship instantly becoming too light for safe operation. Development of a robust, responsive and wide bandwidth buoyancy-ballast system that supports full vertical flight capability is essential and must be demonstrated convincingly and early. Second, a system of systems, involving lift, control and unique lighter-than-air flight technology, represents a demanding integration challenge and should be resolved before committing to final airship design and development.

An incremental early "iron bird" demonstration with proving metrics and appropriate program off-ramps may provide the best way to establish core program viability and a path towards a full airship demonstration. This would be more soundly based than previous program strategies and could resolve the most critical risks before committing to the full flight demonstration.

The committee believes that there is a strong justification to pursue airlift airship concepts and encourages the Air Force, Army, United States Transportation Command, and other appropriate defense organizations to become more proactive in developing advanced airship mobility needs and capability requirements that both lead and stimulate emerging demonstration plans.

The committee directs that no later than 180 days after the date of enactment of this Act, the Secretary of Defense shall:

(1) Reaffirm leadership and responsibilities for airship technical initiatives within the Department of Defense;

(2) Develop a strategy for future Department airship technologies that takes ownership of maturation efforts consistent with airship outsize airlift capability to identify:

(a) Critical technology challenges (in addition to the aforementioned) and methods to demonstrate viability;

(b) Development risks and lessons learned;

(c) Impediments to successful demonstration, including an assessment of in-house understanding of airship technology;

(3) Develop notional estimates for time, costs and other necessary resources to conduct an incremental demonstration for technical viability with suitable decision points and off-ramps.

Advanced weapons technology

The committee recognizes the increased risk of exposure to chemical and biological agents faced by deployed U.S. and coalition forces. The committee believes it is critical to have the ability to expedite collection and characterize these agents in near real time. To meet this requirement, the committee encourages the Secretary of the Air Force to accelerate the fabrication, prototyping and testing of capabilities to detect and classify chemical and biological agents that will provide needed battlefield intelligence and increase the protective posture of U.S. and coalition forces.

Assessment of status of little used research and development infrastructure assets

The committee is concerned that certain research and development infrastructure assets employed by the military services are prematurely decommissioned or otherwise dismantled prior to a general accounting and assessment of the value and utility of such assets to the Department of Defense as a whole. Given the immense expense involved in establishing and standing up infrastructure assets, it is critical that decision on the final disposition of such assets not be made on parochial, short-term considerations. The committee believes that these assets may still have broader defense-wide and national utility and that such utility needs to be assessed before any decisions are made.

To help alleviate this concern, the committee directs the Secretary of Defense to identify such "orphan" assets that support Research and Development and Test and Evaluation. The definition of these assets shall be the same as the definition developed for the study provided to the Congress in October 2010 pursuant to the National Defense Authorization Act for Fiscal Year 2010 (Public Law 111–84) to address "Orphan Assets". The committee directs the Secretary to submit a list of these assets, along with a description of the need for these assets, to the congressional defense committees no later than one year after the enactment of this Act.

Bradley Fighting Vehicle Transmission Competition

The committee is aware that the U.S. Army is testing an alternative transmission for the family of Bradley Fighting Vehicles, which includes the Armored Multipurpose Vehicle (AMPV) and Paladin Integrated Management (PIM) programs. Assuming a successful test, the committee understands that the Army will assess the cost and benefits of an alternative transmission and then conduct a full and open competition to integrate a new transmission into the family of Bradley Fighting Vehicles. The committee notes that the Fiscal Year 2017 budget request does not include funding to support the alternative transmission strategy. Therefore, the com-

mittee directs the Secretary of the Army to provide the Committees on Armed Services of the Senate and House of Representatives a report on the full and open competition for the family of Bradley Fighting Vehicle transmissions. The required report must be submitted no later than January 15, 2017, and include details regarding the Army's test report on the alternative transmission, the acquisition strategy and schedule, and the funding plan to support the competition.

Conformal phased array antennas

The committee notes that there have been recent substantive improvements in antenna technology, providing enhanced capabilities to aircraft and unmanned aerial systems. Additionally, the committee is aware that these same platforms face environments where it would be useful for antennae to operate on different frequency bands and to be reconfigurable in flight. The committee believes that these enhanced capabilities could be critically important in improving sensing in constrained or contested aerial environments. Consequently, the committee encourages the Navy to examine research opportunities to develop the fundamental theory, modeling, demonstration, and control of super-adaptable conformal phased array antennae.

Department of Defense technology offset program to build and maintain the military technological superiority of the United States

The committee notes that the Department of Defense has undertaken a third offset initiative to help maintain the military technological superiority of the United States. Much like the previous two offset initiatives, the committee is encouraged to learn that the Department recognizes that our adversaries are rapidly developing technologies and strategies that can rival those of the United States and that the Department, in theory, is taking steps to avert such a scenario.

As the committee expressed in the Senate report accompanying S. 1376 (S. Rept. 114–49) of the National Defense Authorization Act for Fiscal Year 2016, since World War II, the United States has never faced a more sophisticated and comprehensive array of challenges that threaten to undermine the integrity of the global security that the United States has underwritten for seven decades. Without rapid innovation and bold commitment to technology development and deployment, the committee believes that the United States could be in danger of ceding its authority as the unparalleled military leader in the world today. This concern is made all the more stark by the fact that our adversaries seem to be able to innovate advanced technologies more quickly and efficiently that the Department of Defense, which continues to be hampered by outdated practices and regulations. The committee believes that the ability and foresight necessary to pivot to critical technologies and bring them to development and deployment in an expedited manner is critical to maintaining the status of the United States in global security.

In recognition of these issues, to express support for the Department's third offset initiative, and to assist the Department in accel-

erating the program as much as would be reasonable, the Congress established a technology offset program in section 218 of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92). This program, as laid out in the authorizing legislation, would provide the Department of Defense with additional funds on an annual basis to carry out research, development, prototyping, deployment, and rapid fielding of critical offset technologies. In developing this initiative, the committee authorized the Secretary of Defense up to $400.0 million for use towards technology offsets. While the committee ultimately gave the Secretary latitude to determine the most critical technologies on which to expend these funds, it also recommended that the Department focus on six technologies that the committee believes to be most vital for maintaining our military technological superiority. In particularly, the committee noted its clear intent that approximately half of the authorized funds be used for technologies related to directed energy.

Although the level of funding was ultimately reduced to $100.0 million through the Defense appropriations process, the committee believed that the program could still serve as a test case to determine the Department's commitment to and understanding of the technology offsets initiative. Despite the lower level of funding, the committee had intended to ramp up available funds in subsequent years as the Department demonstrated its ability to use the money wisely and effectively for technology offset activities.

The committee is alarmed to learn that this initial $100.0 million funding has been allocated by the Defense Department to activities that are tangential, at best, to the technology offset initiative. In fact, of the $100.0 million, the committee believes that only $6.0 million has been put toward true offset technologies. With such a breakdown, the committee is unfortunately left to conclude that the Department has used money to pay its bills, rather than focus on technologies that are vital to the military technological superiority of the United States. Most distressingly, the committee was disappointed to learn that none of the money was put toward directed energy technologies, thereby showing a comprehensive lack of regard for the clear intentions laid out by the committee and by the Congress as a whole. Taken together, the committee is concerned that the Department is not focusing on strengthening the core mission capability of our military in terms of offensive and defensive weapons systems. Directed energy can fundamentally change warfare, much like precision-guided weapons did when developed during the second offsets efforts.

In addition, the authorizing legislation clearly lays out a procedure whereby the funds should be competed internally with clear criteria and identifying purposes and priorities for the use of the funds. The legislation also directs the Secretary to solicit applications from across the defense research and development enterprise for use of the funds. The committee was concerned to learn that unfortunately none of this occurred before the money was allocated.

Given these circumstances, the committee has no choice but to refrain from providing additional funding authorization for the technology offset program. Given the Department's clear disregard for the intent of the committee and of Congress in providing the technology offset funding, the committee is unable to justify further

expenditure. Without some sort of assurance or demonstration from the Department that it can manage technology offsets funding in a responsible manner, the committee believes that any additional funding for this program would be similarly misused.

The committee notes that the Department has said publicly that up to $18.0 billion is being devoted to offset technology. Despite repeated requests for a breakdown of this claim and an accounting for where this funding is being applied, the committee remains unaware of the specifics of how the technology offset program is being carried out. Given the Department's performance regarding the authorized offset funds, the committee remains wary of the Department's ability to truly carry out a third offset program and see it through to fruition.

Digital polarimetric radar development

The committee notes that there have been major advances in the field of radar development with respect to incorporating both polarimetric and phased array radar technology into an all-digital design. The committee considers the development of this technology as a critical enabler for the Navy in the development of increased sensing, discrete object tracking (especially small unmanned aerial vehicles), interference avoidance, spectral dominance, electronic warfare, dynamic aperture sharing, and multi-function/multi-objective capabilities. Consequently, the committee encourages the Navy to examine research opportunities to create an all-digital polarimetric phased array radar for future use in small object sensing and tracking, and dynamic aperture tasking for spectrally-contested and dense-target electronic warfare environments.

Expedited hiring at Department of Defense laboratories

The committee is concerned that it takes unreasonable amounts of time to hire experienced individuals at defense laboratories, sometimes exceeding over a year. As a result, a sizeable percentage of authorized billets at DOD laboratories remain vacant due to lengthy delays as well as competition from the private sector. This committee notes that these delays occur despite expedited authorities authorized by this committee in a series of provisions in previous National Defense Authorization Acts.

Given the Department's "Third Offset" strategy and the fact that these laboratories play a critical role in driving the key technologies of that strategy, the committee directs the Comptroller General to conduct an assessment of the different hiring structures at military laboratories across the services, compare the time it takes to hire personnel, assess whether certain laboratories are using existing expedited hiring authorities effectively, and what recommendations it has to enable laboratories to accelerate the hiring process.

Human augmentation technology for industrial operations

The committee commends the Office of Naval Research (ONR) Manufacturing Technology (ManTech) Program for its renewed efforts toward understanding the benefits of human industrial operations augmentation technology that improves the health and safe-

ty of the workforce and reduces the total ownership cost (TOC) of Naval assets.

The committee notes that the Navy Metalworking Center (NMC) and ManTech recently highlighted cost and labor savings on projects such as the DD 51 of over 20–30 percent through the use of exoskeleton-based human augmentation technologies. The committee continues to be interested in technological advances that help reduce the labor component of TOC by increasing productivity, improving quality, and reducing costs associated with workplace injuries related to repetitive motions.

Following the success of this initial program, the Committee urges the Secretary of the Navy to continue to develop these technologies with a goal of broad implementation of commercially-available human industrial operations augmentation technologies for the construction, maintenance, repair, and disposal of Navy assets.

Hypersonic wind tunnel capabilities

The committee notes that a key element of the Third Offset strategy is the development of high speed and hypersonic capabilities to support defense missions such as global and precision strike; intelligence, surveillance, and reconnaissance (ISR); and access to space. The committee notes that advanced research and development in this area depends on world class testing facilities, including high speed wind tunnels, as well as world class technical and engineering talent. Recently, in its "Hypersonic Weapons and US National Security: A 21st Century Breakthrough" report, the independent Mitchell Institute for Aerospace Studies found that Congress and DOD must adequately support continued operation and upgrading of the national hypersonic technology infrastructure, particularly unique test tools and research facilities for undertaking both ground-based and full-flight testing and research. The committee notes that this bill authorizes a significant increase in support for hypersonics test capability, as requested by the President. Further, the committee recommends that the Department of Defense, working through the Defense Advanced Research Projects Agency, the Test Resource Management Center, and the Air Force, continue to explore the development of wind tunnel test capabilities to support development of hypersonic military systems.

Immunosuppression associated with Anthrax Prophylaxis

Historic scientific literature has noted that certain compounds when combined with anthrax inhibit the immune response effecting the ability of a prophylaxis drug to effectively treat exposure or vaccines to protect from exposure. Unknown at the present is whether naturally occurring compounds such as aflatoxins when combined with anthrax causes such a suppression. The committee directs the Secretary of the Army to conduct a peer-reviewed study to assess the efficacy of such a combination or other such immunosuppression agents and, where applicable, develop a controlled experimental regime to assess the applicability of these combined agents. The peer-reviewed study and experimental plan shall be due to the congressional defense committees no later than February 28, 2017.

Integration of nanoscale techniques for improved battery technology

The committee supports the efforts of the Department of Defense, including those of the military services, to improve battery technology. In addition, the committee recommends continued research and development of nanoscale techniques to improve battery technology as it relates to improving military capabilities on the battlefield.

Laser weapon system demonstrator

The Committee commends the Navy for initiating and funding the Laser Weapon Systems Demonstrator (LWSD) and believes that this is an important step toward maturing technologies that could ultimately enable the deployment of a shipboard maritime laser weapons system. While the Committee understands that the Navy envisions transitioning laser weapons to a formal Program of Record in the 2020s, it appears that the Navy has not programmed funding beyond the LWSD sea-based tests to support the installation of LWSD on a DDG or for the design and procurement of a formal maritime laser program.

The committee expects that the Secretary of the Navy will keep the congressional defense committees updated on its plan to seamlessly transition the LWSD to a shipboard weapons system following sea-based testing and to a formal maritime laser Program of Record, technical progress toward developing the capability, and programmatic steps being taken to move to demonstration and deployment of advanced laser systems.

Littoral Combat Ship propulsion and machinery control test capability

The committee notes the operational benefits and cost savings that propulsion and machinery control test capabilities have provided the Navy, including for *Arleigh Burke*-class destroyers, *Zumwalt*-class destroyers, and *Whidbey Island*-class dock landing ships. The committee is concerned by a series of recent significant and costly engineering casualties on Littoral Combat Ships (LCS), including: mechanical failures contributing to USS *Freedom* being underway for just 35 percent of its deployment in the 7th Fleet area of responsibility in 2013, a fuel valve and combining gear failure on the USS *Milwaukee* in 2015, and a combining gear casualty on USS *Fort Worth* in 2016. The committee believes establishing a LCS propulsion and machinery control test capability would provide the Navy with a critical resource that is currently lacking to troubleshoot issues, identify root causes of casualties, and provide in-depth training to sailors. The net effect of such a test capability would be to reduce the time, cost, and inexperience associated with LCS propulsion and machinery control casualties.

Accordingly, the committee strongly encourages the Secretary of the Navy and Chief of Naval Operations to consider establishing an LCS propulsion and machinery control test capability for both the LCS *Freedom* and *Independence* classes.

Long-range threat detection

The Committee is aware of advances the Department of Defense (DOD) is making in long-range threat detection to safely detect explosives and explosive constituent chemicals from long distances. The Committee encourages DOD to engage with industry and academia to pursue further innovation in this field, including the development of cost effective threat sensor systems to support defense missions.

The Committee notes that DOD should emphasize capabilities that can provide real-time detection, with the greatest possible standoff and lowest false alarm rates, and which are portable enough to be used with mobile, aerial, and sea-based platforms.

Mid-Tier Networking Vehicular Radio

Modernizing battlefield communications is a critical priority for the Army. The Mid-Tier Networking Vehicular Radio (MNVR) provides the backbone for the Army's tactical network, connecting lower-echelon radios those at the brigade and battalion level. These two channel networking radios reduce reliance on satellite communications for the Army's command and control capability. The Committee fully funded this program and encourages the Army to maintain its testing schedule in order to meet fielding requirements.

Military medical photonics

The committee notes that military medical photonics research improves battlefield patient care using photomedicine technologies and exemplifies how mission-oriented research can benefit both military and civilian populations. The committee is encouraged by recent breakthroughs in this research, including major technology advances in burn and wound management, tissue imaging and bonding for vascular and reconstructive surgery, diagnosis and treatment of major eye diseases and trauma, critical care sensors and monitors, early assessment of inhalation airway injury, rapid imaging of coronary artery disease, and normalization of severe scarring from wounds of war.

The committee notes that funding for military medical photonics research decreased significantly in the Department of Defense's budget planning for fiscal years 2015 and 2016, but was subsequently restored to $6.0 million by the Department in each of those years in accordance with congressional guidance. This program has made great progress in the development of important, innovative technologies for battlefield medicine. The committee expects that the Department will continue to fund this important work at an appropriate level.

MQ–XX

The committee believes the Navy needs to rapidly introduce a carrier-launched unmanned aircraft into the carrier air wing. While the committee continues to believe that the Navy should develop a penetrating, air-refuelable, unmanned carrier-launched aircraft capable of performing a broad range of missions in a non-permissive environment, the committee believes the MQ–XX moves the Navy

in the right direction while filling critical tanking and intelligence, surveillance and reconnaissance missions for the carrier air wing.

The committee notes that on February 26, 2016, Chief of Naval Operations Admiral John Richardson stated, "I like this way forward for carrier-based unmanned aircraft to be sort of a poster child for how we should do acquisition. We're going to get something on deck as soon as we can that will fulfill a valid need—tanking and ISR—on that aircraft carrier and for that air wing."

The committee is concerned that despite the service chief's emphasis on this program, current plans will require 10 years to field the MQ–XX. According to Navy budget documents, the first MQ–XX land-based flight will not occur until fiscal year 2022 and the initial operational capability will not occur until fiscal year 2026. Given the years of effort and millions of dollars of investment already spent to bring an unmanned aircraft to the carrier, including the successful demonstration of the capability with the X–47B, the committee believes this timeline is unacceptably long and does not meet the CNO's intent for a model acquisition program done at speed. Therefore, the committee directs the Secretary of the Navy to provide a report to the Committees on Armed Services of the Senate and House of Representatives with the President's budget request for fiscal year 2018, which includes: (1) a detailed MQ–XX program schedule through initial operational capability, and (2) detailed options to accelerate MQ–XX.

Night Vision Device Reset

The committee believes night vision systems are an essential capability for successful conventional military and counterterrorism operations, and one in which the United States must keep its qualitative advantage.

The committee is concerned that more than half of the approximately 480,000 fielded AN/PVS–14 monocular night vision devices provide significantly lower level performance than those possessed by potential adversaries-leaving U.S. forces at a capability mismatch given the access of potential adversaries to more advanced French, Russian, and Chinese night vision devices. In addition, extensive delays in developing and fielding a digital image intensified alternative are being experienced by Special Operations Command and the Night Vision and Electronic Sensors Directorate, thus extending the anticipated use of the AN/PVS–14 to fiscal year 2030.

The Report on the National Defense Authorization Act for Fiscal Year 2016 (Report 114–49) encouraged the Secretary of the Army to develop and implement a comprehensive night vision systems research, development, acquisition, reset maintenance, and sustainment strategy that improves readiness, identifies and delivers promising new or emerging technologies, and ensures the affordability of night vision systems by managing cost throughout their life cycle. The committee is troubled that the Army has not followed this recommendation, and is not taking appropriate action to provide necessary performance and reliability improvements for the legacy fleet of AN/PVS–14 systems, commensurate with the threat and extended service life.

Therefore, the committee directs the Secretary of the Army to request funding as part of the fiscal year 2018 budget request to

begin a performance reset of fielded AN/PVS–14 systems through the component upgrade of the image intensifier tubes or explain in writing why such an upgrade is not needed to meet combatant commander requirements and ensure U.S. service members possess night vision devices superior to their potential adversaries.

Night Vision Reset

The Senate report accompanying S. 1376 (S. Rept. 114–49) of the National Defense Authorization Act for Fiscal Year 2016 acknowledged that night vision systems are an essential capability for successful military and counterterrorism operations. With increased proliferation around the world of high performance night vision technologies, U.S. forces may face a capability mismatch as adversaries acquire higher performance level technology. The committee believes it is crucial that the Department of Defense maintains and, where possible, extends its technological advantage in night vision systems.

The committee is aware that the Army is working to address the technological opportunities, operational requirements, and industrial base challenges associated with current and future night vision systems. Therefore, the committee continues to encourage the Secretary of the Army to develop and implement a comprehensive night vision systems research development, acquisition, reset maintenance, and sustainment strategy that improves readiness, identifies and delivers promising new technologies, and ensures affordability of night vision systems by managing cost throughout their life cycle.

Plan to reduce the footprint of aged chemical and biological weapons facilities at Aberdeen Proving Ground

The southern end of Aberdeen Proving Ground contains the laboratories for the Edgewood Chemical and Biological Command (ECBC). While many laboratories are new and state of the art, the ECBC contains a number of 50-year-old laboratories that are inactive but still must be fenced and have their ventilation systems functioning given the trace amounts of agents that are present in them. The result is a cost of several hundred thousand dollars each year to keep some of these laboratories in a warm status, which includes other activities such as ensuring they are structurally sound and do not leak. Because the cost of maintaining the laboratory each year is less than the 1 year tear down cost, they remain standing for a period of time such that the accumulated cost over the outyears would pay for their removal. Similar parallels exist at the Department of Energy with abandoned nuclear weapon production facilities. The committee directs the Corps of Engineers to report no later than February 28, 2017 on a plan to tear down these hazardous facilities, which ultimately will save taxpayers money over the long run.

Review of balance between Department of Defense developmental and operational test and evaluation

The committee notes that Congress has now re-established a developmental test and evaluation organization within the defense research and engineering enterprise. With this development, the com-

mittee believes it is necessary to examine the functions and resources between the organizations of the Deputy Assistant Secretary of Defense for Developmental Test and Evaluation (DT&E) and the Director of Operational Test and Evaluation. To improve test and evaluation results for the Department's acquisition programs in the most efficient manner, particularly given that DT&E will now be reporting to the Director Operational Test and Evaluation as directed elsewhere in this act, the developmental and operational test and evaluation organizations must maintain a balance of resources and oversight activities.

The committee notes that during the 2000s, the resources and influence of the developmental test and evaluation organization declined while operational test and evaluation assumed a more comprehensive role, including absorbing resources and functions formerly within the purview of the developmental test and evaluation organization. For example a number of programs were transferred to the Director of Operational Test and Evaluation, such as Joint Test & Evaluation, the Center for Countermeasures (CCM), munitions effectiveness, and aircraft survivability. In addition, the Operational Test and Evaluation organization co-opted developmental test and evaluation aspects of acquisition programs.

When the developmental test and evaluation organization was almost non-existent, this enlargement of responsibilities under operational test and evaluation was essential. However, that role needs to be re-examined in light of a stronger developmental organization. As a result, the committee believes it would be useful for the Department of Defense to review the roles and resources of the current developmental and operational test and evaluation organizations to address a number of issues and questions.

The committee directs the Secretary of Defense to form a study panel to review the appropriate balance between developmental and operational test and evaluation activities and the resources required to accomplish related activities within the Office of the Secretary of Defense. The panel will develop recommendations for alternative approaches and resource levels and such recommendations should be completed no later than one year after the enactment of this Act.

The committee recommends that the panel address the following questions:

(a) How can the Director, Operational Test and Evaluation (DOT&E) with duties established in section 139 of title 10, United States Code, and the Deputy Assistant Secretary of Defense for Developmental Test and Evaluation (DASD (DT&E)) with duties established in section 139b of title 10, United States Code, at the Office of Secretary of Defense (OSD) level approach oversight within the weapons development cycle to avoid overlap but be mutually supporting without sacrificing the independence of either organization?

(b) Does participation and assessments of program progress during phases prior to operational test and evaluation bias the independent objectivity of the operational test and evaluation organization?

(c) Are staffing and other resources between the two test and evaluation oversight organizations commensurate with the ef-

fort of each relative to the portion of the programs that their oversight entails?

(d) Are there programs under the purviews of the Department of Defense Test Resource Management Center with duties established in Section 196 of Title 10, United States Code, or the DASD (DT&E) that should be managed within operational test and evaluation, such as the Resource Enhancement Program and Joint Mission Environment Test Capability?

(e) Are there programs under the purview of the DOT&E or the DASD (DT&E) that should more appropriately be under the purview of other Office of Secretary of Defense organizations?

(f) Overall are the DASD (DT&E) and the DOT&E organizations effectively carrying out the missions as described in title 10, United States Code, and are there impediments to meeting those responsibilities. In addition are they engaged in activities outside their mission areas?

(g) Are the activities of the test and evaluation organizations complementary, not duplicative or disruptive, to the activities of the military departments?

(h) What are the implications for the balance between the two organizations now that DT&E will be reporting to the Director of Operational Test and Evaluation?

Silicon Carbide Technology

The Committee supports the Army's investment to advance power and energy technology to meet requirements for higher electric power loads at forward operating bases through efficient generators, extend silent watch capabilities for ground vehicles, and improve vehicle performance. Silicon Carbide MOSFET based high performance power modules have been identified as an enabling technology that meets Army requirements for power distribution and management as part of generator and battery systems. The Army is encouraged to increase support for demonstration and deployment of silicon carbide power electronics under the Research, Development and Engineering Command Tank Automotive Research, Development and Engineering Center.

Simulation training

The Committee supports the Department of Defense's continued expansion of the full range of simulation training as a cost-effective means by which military units can improve tactical decision-making skills through training in realistic scenarios otherwise only found in theater combat operations. Well-trained units ultimately save lives when deployed to combat situations. The Department of Defense should continue to ensure the most efficient and effective training programs are available through a combination of both government-owned and operated simulators, as well as simulation support from a dedicated commercial activity capable of providing frequent hardware and software updates.

Single appropriation for developmental test and evaluation and test resources

The committee notes that prior to 1999, the Department of Defense had a strong developmental test and evaluation organization with a single appropriation for development test and evaluation support (including test resources) with all related program elements included within one appropriation. The committee understands that in 1999, developmental test and evaluation was reorganized and downsized and the appropriations were transferred to other program elements, primarily to the operational test and evaluation office.

The committee further notes though, that in 2009, the Weapon Systems Acquisition Reform Act (Public Law 111–23) re-established a strong developmental test and evaluation organization. Unfortunately, the related issue of resources was not addressed in the legislation and, as a result, developmental test and evaluation programs and projects remain scattered throughout defense-wide appropriations.

To correct this oversight, the committee directs the Secretary of Defense to include in the budget transmitted to Congress pursuant to section 1105 of title 31, United States Code, for each fiscal year a separate statement of estimated expenditures and proposed appropriation for the fiscal year for the activities of the Deputy Assistant Secretary of Defense for Developmental Test & Evaluation (DASD (DT&E)) and the Director, Test Resources Management Center (TRMC) for carrying out assigned duties and responsibilities. The Secretary of Defense shall re-establish a separate Research, Development, Test and Evaluation appropriation for Development Test & Evaluation and Test Resources as existed in the Department prior to fiscal year 1999. The reestablished appropriation will include all Program Elements currently administered by the DASD (DT&E) and the Director, TRMC including the Central Test and Evaluation Investment Program and Department of Defense Test and Evaluation Science and Technology. This reestablished development test and evaluation appropriation will be administered by the DASD (DT&E) and the Director, TRMC.

This change would consolidate the developmental test and evaluation-related resources in a single appropriation similar to what existed prior to 1999, which would allow for better congressional oversight and more efficient execution. This change would also provide Congress better visibility on resources being directed to developmental test and evaluation and test infrastructure. This change would also increase efficiency and minimize the possibility that resources can be realigned between program elements without congressional approval.

Study on best practices for laboratory management techniques

In previous years, the committee has taken many steps to unshackle the Department of Defense laboratories from federal rules and regulations that the committee believed to be overly burdensome and to be having a deleterious effect on the abilities of the laboratories to carry out the critical mission with which they are charged. Among other things, the committee has granted the lab-

oratories greater autonomy and authority to make their own decisions regarding personnel, workforce, funding allocation, and general laboratory administration and management.

The committee has undertaken these efforts because it believes that the Department of Defense laboratories, along with the scientific and technical experts that they employ, are a unique national resource carrying out work that is vital to the national security interests of the United States. In recognition of the special status that the laboratories and employees occupy in terms of service to the Nation, the committee felt an obligation to ensure that all necessary tools were made available as necessary.

To be sure, while the committee has taken many steps, many more remain. As an ultimate goal, the committee hopes to ensure that laboratories and lab employees have the desired flexibility to experiment and innovate in a supportive environment on an accelerated timescale that meets the needs of the defense services and of those engaging in the Nation's conflicts.

As the committee has carried out its reforms in this arena, it has discovered that the Department has scientific organizations that are managed under a number of different governance models. For instance, the traditional service laboratories, such as the Army Research Lab, the Navy Research Lab, and the Air Force Research Lab, are all government owned and operated, meaning that all employees are direct federal employees. As a contrast, institutions like Lincoln Lab and the Applied Physics Lab are federally funded research and development centers, paid for by the government, but run by institutes of higher education. In addition, the committee is aware that laboratories of other federal agencies are managed under completely different models. For instance, the laboratories of the Department of Energy are government-owned, but operated by private companies, meaning that all employees are private sector contractors.

While the committee appreciates that different missions and different objectives often require different management and governance, it also recognizes that with the launch of the Department of Defense's third offset initiative, greater pressure is being placed on the defense laboratories, indeed the entire defense research enterprise, to be more innovative and quicker in bringing new technologies to production and deployment. The committee is struck that it seems unreasonable to expect such increased output and efficiency from the laboratories without a commensurate overhaul of management and governance structures.

At the same time, the committee has yet to see a comprehensive accounting of best practices for government laboratory governance. As a result, the ability of the committee to move forward smartly with additional reforms, designed to fully unleash the inherent capabilities of the lab in an efficient manner, is somewhat hampered. As much as the committee would like to undertake comprehensive defense lab governance reform, it remains wary of doing more harm than good.

To remedy this gap in the committee's knowledge and expertise, the committee directs the Comptroller General of the United States to complete a study of the various laboratory governance models employed at federal government laboratories, both defense and

non-defense. This study should identify all different governance models used across the government, the benefits and drawbacks of each model, and how successful each governance model has been at fostering efficiency and innovation. The study should also compare the relative autonomy given to each of the different lab directors, and conclude with recommendations on best governance practices. The committee directs the Comptroller General to submit this study to the congressional defense committees no later than 1 year after the enactment of this Act.

Subsurface threat detection systems

The committee notes that the Navy has requested $45.7M in PE 0603123N for force protection advanced technologies, including funding for sensors and countermeasures for use against unmanned underwater threats and divers. The committee expects the Navy to continue and expand these efforts, commensurate with these growing threats.

The improved turbine engine program (ITEP) for Army rotary wing aviation

The committee recognizes the importance of more efficient fuel consumption and enhanced power benefits that collectively increase the combat capability under the improved turbine engine program (ITEP) for Army rotary wing aviation. For example, the committee understands that the ITEP will increase the combat range of Black Hawk and Apaches by at least 85 percent. However, the committee also understands that underfunding ITEP will result in a program schedule delay that could defer engine fielding to Black Hawk and Apache units. Therefore, the committee strongly encourages the Army to review the program funding profile for the key preliminary design phase of this competitive program to ensure resources are properly allocated across the future years defense program. Additionally, the committee strongly encourages the Army to examine all possible options to accelerate development and fielding of the engine so that the increased capabilities can be realized sooner.

Third offset technology—industrial base concerns

The Committee acknowledges the critical role that the Third Offset strategy plays in assuring long-term national security but to date, has not received a clear interpretation of what this strategy consists of. Without a clear explanation from the Department of Defense, the Committee is concerned about the viability of the U.S. industrial base to support the Third Offset strategy. Therefore, the Committee directs the Secretary of Defense to submit to the Committee a report on the Third Offset strategy, including how Third Offset programs will overcome capability or capacity challenges posed by U.S. adversaries, as well key capability shortfall areas that 3rd offset does not address. It will further submit its top five acquisition priorities, how they fit into the Third Offset strategy and to what extent the Department believes the U.S. industrial base can fill gaps in ability to support the strategy. The committee directs the Department submit both the strategy report and its acquisition findings and views to the Senate Armed Services Committee no later than one year after the enactment of this Act.

Troposcatter Systems

The committee is concerned that warfighters lack needed communication capability in environments where satellite communications are degraded or denied. The committee is aware of the Army 's effort to leverage advances in troposcatter systems in order to close this strategic gap. Given current budget constraints, the committee urges the Army to assess the ability of off-the-shelf, non-developmental solutions to meet Army requirements while reducing cost and risk.

United States Special Operations Command, Airborne High Energy Laser

The committee notes that United States Special Operations Command (SOCOM) has identified an unfunded requirement for fiscal year 2017 to accelerate the exploration of tactics, techniques and procedures, and concept of employment of an Airborne High Energy Laser (AHEL) on an AC–130 aircraft. The committee agrees that directed energy capabilities, potentially including the AHEL, may offer possible tactical and operational advantages over conventional capabilities for certain missions requiring clandestine activities and the ability to disable vehicles, infrastructure, weapons, and other equipment. Such capabilities may also offer advantages in terms of cost effectiveness, sustainability, and precision.

The committee supports the experimentation proposed by SOCOM and understands that defense research laboratories and industry are currently working to advance directed energy systems for integration on various types of military aircraft. The committee directs SOCOM to fully coordinate its activities with the High Energy Laser Joint Technology Office in order to avoid duplication of efforts and encourages the Department to pool resources from relevant offices in support of this unfunded requirement.

Working capital fund efficiencies

The committee understands that the Department of Defense and other federal government organizations will continue to experience constrained budgets for several years in the near-term, and that under such circumstances, federal organizations cannot afford to duplicate capabilities that may exist in other government organizations.

The committee also notes that working capital funded organizations are uniquely capable of managing within their budgets while supporting other organizations since the organizations being served pay for the services received. In addition, the committee notes that an increased client base for working capital funds results in a larger base upon which to spread overhead cost, which in turn can reduce cost for all customers.

The committee notes with concern that the leadership of some Department of Defense organizations may choose to reduce the flexibility allowed for working capital organizations to expand their base beyond the work for their parent organization. Such policies could necessitate other organizations to acquire duplicate capabilities.

As a result, the committee directs the Secretary of Defense to ensure that all working capital funded facilities within the Depart-

ment of Defense are allowed to provide services to all other Department of Defense organizations and all other federal organizations that request such services. The committee expects that, to the extent allowed by budget limitations, these services will be provided regardless of which organization operates the working capital funded facility and regardless of workforce staffing levels. The committee expects that such direction will be given to working capital funded facilities no later than 180 days after the enactment of this Act.

TITLE III—OPERATION AND MAINTENANCE

Subtitle A—Authorization of Appropriations

Authorization of appropriations (sec. 301)

The committee recommends a provision that would authorize the appropriations for operation and maintenance activities at the levels identified in section 4301 of division D of this Act.

Subtitle B—Energy and the Environment

Modified reporting requirement related to installations energy management (sec. 302)

The committee recommends a provision that would amend subsection (a) of section 2925 of title 10, United States Code, by significantly reducing the contents of the Department of Defense's Annual Energy Management Report.

Additionally, the committee clarifies that the intent for reporting of all commercial utility outages caused by threats and hazards should include all four categories of utility service: electrical, potable water, wastewater, and natural gas. Accordingly, the committee believes the Department should appropriately revise the data collection template's instructions to capture such disruptions and outages.

Report on efforts to reduce high energy cost at military installations (sec. 303)

The committee recommends a provision that would require the Under Secretary of Defense for Acquisition, Technology, and Logistics, in consultation with the assistant secretaries responsible for energy installations and environment for the military services and the Defense Logistics Agency, to conduct an assessment of the efforts to achieve cost savings at military installations with high energy costs.

Utility data management for military facilities (sec. 304)

The committee recommends a provision that recognizes the importance of energy management for improving resiliency and achieving the Department of Defense's Federal energy reduction goals. Therefore, to reduce energy costs, the committee directs the Department of Defense, in consultation with the Department of Energy, to develop a pilot program to investigate the utilization of utility data management services to perform utility bill aggregation, analysis, third-party payment, storage and distribution.

Of the amounts to be appropriated for Operation and Maintenance, Navy for SAG BSIT, Enterprise Information, the Secretary of Defense is authorized to transfer funds for the purposes of the pilot program.

Linear LED lamps (sec. 305)

The committee recommends a provision that would amend section 2–4.1.1.2 of the Department of Defense's Unified Facilities Criteria to allow linear light emitting diode lamps for facilities and installation retrofits. The committee notes that these fixtures may consume less energy, improve safety, realize life-cycle cost savings, and provide a return on investment.

Subtitle C—Logistics and Sustainment

Deployment prioritization and readiness of Army units (sec. 311)

The committee recommends a provision, as requested by the Department of Defense, that would amend chapter 1003 of title 10, United States Code, and would revise the Army's deployability rating system and the manner in which the Army is required to track prioritization of deployable units.

The committee notes this provision would require the Secretary of the Army to maintain a readiness rating system for units of all components of the Army that provides an accurate assessment of the deployability of a unit and those shortfalls of a unit that require additional resources.

Revision of guidance related to corrosion control and prevention executives (sec. 312)

The committee recommends a provision that would require the Undersecretary of Defense for Acquisition, Technology, and Logistics, in coordination with the Director of Corrosion Policy and Oversight, to revise the corrosion-related guidance to clearly define specific roles of the corrosion control and prevention executives of the military departments.

Repair, recapitalization, and certification of dry docks at Naval shipyards (sec. 313)

The committee recommends a provision that would allow savings derived from foreign currency fluctuations to be made available for the repair, recapitalization, and certification of dry docks at Naval Shipyards.

Subtitle D—Reports

Modifications to Quarterly Readiness Report to Congress (sec. 321)

The committee recommends a provision that would amend section 482 of title 10, United States Code, to further streamline the Quarterly Readiness Report to Congress (QRRC).

The committee remains very concerned that the QRRC's delivery to Congress lacks timeliness, remains hampered by parallel processes, and contains overlapping assessments which are then collec-

tively hindered by unnecessarily prolonged approval processes within the Department of Defense.

Accordingly, the committee directs the Department to separate and alternate semi-annual assessments with semi-annual reports on remedial actions and recovery models in the next QRRC. The committee also strongly urges the Department to remove the senior readiness fora summaries in Annex A in order to avoid duplication. Additionally, the committee directs the Department to reduce duplication of the content currently provided in Annexes B and C of the QRRC, to the maximum extent practicable.

The committee remains unsatisfied with the content reported in Annex F—Risk assessment of dependence on contractor support—as required by section 482(g) of title 10 United States Code. The committee strongly urges the Department to significantly improve the reporting quality in the next iteration of the QRRC.

Lastly, because the content of Annex G—Cannibalization rates report—is unclassified, the provision would require the Department to provide Annex G to the congressional defense committees in a separate unclassified report containing the information collected pursuant to section 117(c)(7) of title 10, United States Code.

Report on HH–60G sustainment and Combat Rescue Helicopter (CRH) program (sec. 322)

The committee recommends a provision that would require the Secretary of Defense to submit to the congressional defense committees that sets forth a plan to modernize, sustain training, and provide depot maintenance for all components of the HH–60 helicopter fleet.

Subtitle E—Other Matters

Repurposing and reuse of surplus military firearms (sec. 331)

The committee recommends a provision that would transfer excess firearms to Rock Island Arsenal to be repurposed for military use as determined by the Secretary of the Army.

Additionally, the provision would allow for the transfer of M–1 Garand rifles and caliber .22 rimfire rifles currently in the Navy and Marine Corps inventory at Defense Distribution Center, Anniston, or Naval Surface Warfare Center, Crane to be used as awards for competitors in marksmanship competitions that are held by the Navy or the Marine Corps.

Limitation on development and fielding of new camouflage and utility uniforms (sec. 332)

The committee recommends a provision that would prohibit the obligation or expenditure of funds for the development or fielding of new camouflage or utility uniforms or families of uniforms until one year after the Secretary of Defense notifies the congressional defense committees.

The committee notes that the Joint Clothing and Textiles Governance Board that is charged with developing policies related to combat uniforms has only met four times since 2010. The committee remains concerned that a lack of guidance has led to confu-

sion amongst the services with how to ensure the best technology is integrated into all uniforms while maintaining compliance with existing Department of Defense policies. The committee understands that different operational environments will require different materials to provide protection from different threats.

Hazard assessments related to new construction of obstructions on military installations (sec. 333)

The committee recommends a provision that would amend Section 358 of the National Defense Authorization Act for fiscal year 2011 (Public Law 111–383) to ensure that due diligence and proper assessment is given so energy projects do not interfere with operational training of the military services.

Plan for modernized Air Force dedicated adversary air training enterprise (sec. 334)

The committee recommends a provision that would direct the Chief of Staff of the Air Force to submit to the Committees on Armed Services of the Senate and the House of Representatives, not later than March 3, 2017, a resource ready and executable plan for developing and emplacing a modernized dedicated adversary air training enterprise to support the full spectrum air combat readiness of the United States Air Force.

The committee is concerned that although the Air Force has not been seriously challenged by an adversary that has caused significant friendly losses in air warfare for over four decades, technological advances, increased defense spending, and more aggressive military posturing by contemporary potential adversaries bring that concern back to the forefront. The Air Force's experience over Southeast Asia during the Vietnam conflict catalyzed a wholesale change in strategy, doctrine, and training, but not before suffering significant losses at the hands of an enemy initially perceived as substantially less capable.

The committee recalls that in response to this undesirable circumstance, the Air Force emplaced a robust training regimen of advanced dissimilar air combat training, large force employment exercises such as RED FLAG and COPE THUNDER, and perhaps most importantly, an institutional commitment to fielding a dedicated air adversary training capability in the form of a full fighter wing equivalent of 72 aircraft in aggressor adversary air training units. This training capability remained in place from the early 1970s until the end of the 1980s, when defense budget pressures drove a 92 percent reduction in dedicated adversary air training assets from their peak level.

The committee believes these dedicated adversary air training assets undoubtedly contributed to the eventual defeat of the Union of Soviet Socialist Republics, and also played a significant part in training Air Force units who subsequently dominated Saddam Hussein's air force in the first Gulf War. However, 25 years of continuous combat operations, divestment of over 60 percent of combat aircraft squadrons, and constantly declining defense budgets have combined with resurgent and emergent nation-state threats to necessitate a reexamination of how the Air Force will maximize train-

ing and readiness as necessary pillars of its fifth generation-enabled force into the future.

Independent study to review and assess the effectiveness of the Air Force Ready Aircrew Program (sec. 335)

The committee recommends a provision that would direct the Secretary of the Air Force to commission an independent review and assessment of the assumptions underlying the Air Force's annual continuation training requirements, and the efficacy of the overall Ready Aircrew Program in the management of Air Force's aircrew training requirements. The provision would also direct the Comptroller General of the United States to assess the matters contained in the Secretary's report on the independent review and assessment.

The Air Force has raised concerns regarding training shortfalls for both fourth and fifth generation combat aircraft aircrews against the annual continuation training requirements established in their Ready Aircrew Program (RAP). RAP defines the required individual training events, proficiency levels, and the appropriate mix and quantities of live training sorties and simulator missions for combat air forces. A number of factors have contributed to existing training shortfalls, including operations tempo, maintenance personnel levels, aging aircraft, limited and obsolete range infrastructure, and nonavailability of training support assets, such as dedicated adversary air training aircraft, among other factors. Additionally, the Air Force's reduced number of combat squadrons, and the reduced numbers of primary assigned aircraft to most of the remaining squadrons, combine to provide fewer cockpit positions to absorb and train new pilots to experienced proficiency levels. Finally, ongoing combat operations, the future fielding of large numbers of F–35As, and a potential A–10 fleet divestment further exacerbate these training challenges.

The committee is also concerned with assumptions underlying the annual training requirements that have not been adjusted in recent years to ensure that aircrews are training for the full range of core Air Force missions. For example, the Air Force has historically established annual training requirements for experienced or inexperienced aircrews based on whether a combat aircrew has achieved 500 flying hours in a primary aircraft. However, some new aircrew personnel can quickly meet the experienced flying hour level through operational deployments, even though the type of deployed flying operations may not represent the required experience across the full range of core missions.

Mitigation of risks posed by certain window coverings with accessible cords in military housing units in which children reside (sec. 336)

The committee recommends a provision that would direct the Secretary of Defense to remove and replace window coverings with accessible cords from military housing units in which children under the age of 9 reside and require housing contractors to phase out window coverings with accessible cords.

Tactical explosive detection dogs (sec. 337)

The committee recommends a provision that would amend section 2583 of title 10, United States Code, to require all new contracts involving tactical explosive detection dogs (TEDD) to include a provision that would transfer the TEDD to the 341st Training Squadron after the end of their useful service life and reclassify them as military animals to follow the adoption procedures set forth by section 2583.

STARBASE Program (sec. 338)

The committee recommends a provision that would continue funding for the STARBASE Program by up to $25.0 million for SAG 4GT3 Civil Military Programs in Operation and Maintenance, Defense-Wide for fiscal year 2017. The committee believes the STARBASE Program is a highly effective program that improves the knowledge and skills of students in kindergarten through 12th grades in science, technology, engineering, and mathematics.

Access to Department of Defense Installations for drivers of vehicles of online transportation network companies (sec. 339)

The committee recommends a provision that would require the secretary of defense to establish policies, terms, and conditions under which online transportation networks and their drivers shall be permitted access to military installations to serve base personnel.

Women's military service memorials and museums (sec. 340)

The committee recommends a provision that would authorize the Secretary of Defense to provide not more than $5.0 million for the acquisition, installation, and maintenance of exhibits, facilities, historical displays, and programs at military service memorials and museums that highlight the role of women in the military.

The committee notes that a funding offset of $5.0 million is derived from the Army's plan to accelerate the opening of another museum from fiscal year 2022 to fiscal year 2019. Accordingly, the committee recommends a decrease of $5.0 million to SAG 435 Other Service Support within the Operations and Maintenance, Army budget request.

Budget Items

Army, Army Reserve, and Army National Guard readiness unfunded priorities increases

The budget request included $33.8 billion in Operation and Maintenance, Army (OMA), of which $791.5 million was for SAG 111 Maneuver Units, $1.3 billion was for SAG 116 Aviation Assets, $1.0 billion was for SAG 123 Land Forces Depot Maintenance, $336.3 million was for SAG 211 Strategic Mobility, $902.8 million was for SAG 322 Flight Training, and $778.7 million was for SAG 423 Logistics Support Activities.

The budget request also included $2.6 billion in Operation and Maintenance, Army Reserve (OMAR), of which $491.7 million was for SAG 113 Echelons Above Brigade and $347.4 million was for

SAG 121 Force Readiness Operations Support. The budget request also included $6.8 billion for Operation and Maintenance, Army National Guard (OMARNG), of which $708.2 million was for SAG 111 Maneuver Units, $37.1 million was for SAG 121 Force Readiness Operations Support, and $219.9 million for SAG 123 Land Forces Depot Maintenance.

The committee notes that, within the Army's unfunded priorities list, the Chief of Staff of the Army has identified specific amounts in these readiness accounts that could help accelerate readiness recovery. The committee notes that these recommended increases will help restore the Army Prepositioned Stock Sustainment (APS) program in support of the European Reassurance Initiative and increase throughput for depot work. Additionally, this increase will help defray lodging costs for enlisted soldiers who sometimes must travel hundreds of miles for reserve duty. Lastly, the Chief of Staff of the Army testified before the committee that home station training for the Army National Guard to prepare for additional Combat Training Center rotations was one of his top unfunded readiness priorities.

Accordingly, the committee recommends the following increases: $50.0 million for SAG 111 Maneuver Units; $68.0 million was for SAG 116 Aviation Assets; $19.4 million for SAG 123 Land Forces Depot Maintenance; $25.0 million for SAG 211 Strategic Mobility for APS; $36.6 million for SAG 322 Flight Training; and $4.0 million for SAG 423 Logistics Support Activities in OMA; $46.0 million for SAG 113 Echelons Above Brigade for Lodging in Kind and Home Station Training and $0.3 million for Force Readiness Operations Support for range improvements in OMAR; and $70.0 million for SAG 111 Maneuver Units for Home Station Training; $2.4 million for SAG 121 Land Forces Operations Support; and $54.6 million for SAG 123 Land Forces Depot Maintenance in OMARNG.

Facilities, Sustainment, Restoration, and Modernization increases

The budget request included $33.8 billion in Operation and Maintenance, Army (OMA), of which $2.2 billion was for SAG 132 Facilities, Sustainment, Restoration & Modernization. The budget request also included $2.7 billion in Operation and Maintenance, Army Reserve (OMAR), of which $214.9 million was for SAG 132 Facilities, Sustainment, Restoration & Modernization. The budget request also included $6.8 billion in Operation and Maintenance, Army National Guard (OMARNG), of which $676.4 million was for SAG 132 Facilities, Sustainment, Restoration & Modernization.

The budget request included $39.4 billion in Operation and Maintenance, Navy (OMN), of which $1.6 billion was for SAG BSM1 Sustainment, Restoration and Modernization. The budget request also included $927.6 million in Operation and Maintenance, Navy Reserve (OMNR), of which $27.5 million was for SAG BSMR Sustainment, Restoration and Modernization.

The budget request included $5.9 billion in Operation and Maintenance, Marine Corps (OMMC), of which $632.6 million was for SAG BSM1 Sustain, Restoration, & Modernization. The budget request also included $270.6 million in Operation and Maintenance,

Marine Corps Reserve (OMMCR), of which $25.4 million was for SAG BSM1 Sustain, Restoration and Modernization.

The budget request included $37.5 billion in Operation and Maintenance, Air Force (OMAF), of which $1.6 billion was for SAG 011R Facilities Sustainment, Restoration & Modernization. The budget request also included $3.1 billion in Operation and Maintenance, Air Force Reserve(OMAFR), of which $113.4 million was for SAG 011R Facilities Sustainment, Restoration & Modernization. The budget request also included $6.7 billion in Operation and Maintenance, Air National Guard (OMANG), of which $245.8 million was for SAG 011R Facilities Sustainment, Restoration & Modernization.

The committee notes that throughout all unfunded requirement lists provided by the individual services, Facilities Sustainment, Restoration & Modernization (FSRM) remained a shortfall for every service. The committee believes FSRM funding is crucial to rebuilding and maintaining readiness.

Accordingly, the committee recommends the following increases: $354.4 million in OMA for SAG 132 Facilities, Sustainment, Restoration & Modernization; $21.5 million in OMAR for SAG 132 Facilities, Sustainment, Restoration & Modernization; $32.1 million in OMARNG for SAG 132 Facilities, Sustainment, Restoration & Modernization; $160.9 million in OMN for SAG BSM1 Sustainment, Restoration and Modernization; $5.8 million in OMNR for SAG BSMR Sustainment, Restoration and Modernization; $39.3 million in OMMC for SAG BSM1 Sustain, Restoration, & Modernization; $5.5 million in OMMCR for SAG BSM1 Sustain, Restoration and Modernization; $157.7 million in OMAF for SAG 011R Facilities Sustainment, Restoration & Modernization; $11.7 million in OMAFR for SAG 011R Facilities Sustainment, Restoration & Modernization; $14.0 million in OMANG for SAG 011R Facilities Sustainment, Restoration & Modernization.

Army advertising reduction

The budget request included $33.8 billion in Operation and Maintenance, Army (OMA), of which $550.6 million was for SAG 331 Recruiting and Advertising.

The committee understands that within the Recruiting and Advertising request was an increase of $50.8 million, or 27 percent of the budget request, to fund additional marketing and advertising efforts. The committee also understands that the National Commission on the Future of the Army recommended that Congress authorize, and that the Secretary of the Army direct the consolidation of marketing functions under the authority of the Army Marketing Research Group to ensure unity of effort across all three Army components: Regular Army, Army Reserve and Army National Guard. The committee believes the budget request is not in line with that recommendation and believes these funds can be better aligned for other readiness priorities.

Accordingly, the committee recommends a decrease of $35.0 million in OMA to SAG 331 Recruiting and Advertising.

Army museum reduction

The budget request included $33.8 billion in Operation and Maintenance, Army (OMA), of which $1.1 billion million was for SAG 435 Other Service Support.

The committee understands that within the Other Service Support request was an increase of $29.5 million to accelerate the opening date for the National Museum of the U.S. Army from fiscal year 2022 to fiscal year 2019. The committee notes that the Army has consistently stated that readiness is the service's number one priority. The committee agrees with that statement and believes these funds should be realigned to support higher priority readiness requirements.

Accordingly, the committee recommends a decrease of $29.5 million in OMA to SAG 435 Other Service Support.

United States Southern Command unfunded priorities increase

The budget request included $33.8 billion in Operation and Maintenance, Army (OMA), of which $441.1 million was for SAG 138 Combatant Commands Direct Mission Support.

The committee notes that United States Southern Command (SOUTHCOM) identified intelligence, surveillance, and reconnaissance as an unfunded priority.

Accordingly, the committee recommends an increase in OMA of $6.7 million for SAG 138 Combatant Commands Direct Mission Support for SOUTHCOM airborne intelligence, surveillance, and reconnaissance.

Printing reductions to active service components and defense-wide

The budget request included $33.8 billion in Operation and Maintenance, Army (OMA), $39.4 billion for Operation and Maintenance, Navy (OMN), $5.9 billion for Operation and Maintenance, Marine Corps (OMMC), $37.5 billion for Operation and Maintenance, Air Force (OMAF), and $32.5 billion for Operation and Maintenance, Defense-Wide (OMDW).

The committee notes that readiness is a top priority of the services and the Department of Defense. The committee notes the printing budget for active service components as follows: (1) Army $228.8 million, (2) Navy $48.6 million, (3) Marine Corps $95.5 million, (4) Air Force $59.6 million, and (5) defense-wide $9.1 million. The committee believes that the printing budget for the active service components is excessive and portions should be realigned to fund unfunded requirements as requested by the Service Chiefs.

Accordingly, the committee recommends an undistributed reduction to the following: $34.3 million to OMA, $7.3 million to OMN, $14.3 million to OMMC, $8.9 million to OMAF, and $1.4 million to OMDW.

Distributed Common Ground System-Army

The budget request included $33.8 billion for Operation and Maintenance, Army (OMA), of which $126.9 million was for the Distributed Common Ground Station-Army (DCGS–A).

The committee is aware that the DCGS is a multi-service program that is intended to provide a family of fixed and deployable multi-source ground processing systems that support a range of Air Force, Navy, Marine Corps, and Army intelligence, surveillance, and reconnaissance systems.

The committee notes that DCGS–A is operationally suitable and effective when operating from fixed sites and providing direct support to operational and strategic forces. However, the committee also notes that DCGS–A is not suitable or effective in providing a reliable capability to tactical forces operating in the field. Army Brigade Combat Teams and battalions are required to improvise to overcome unreliable hardware and complex software. Operator knowledge and proficiency is low because of this complexity and unit readiness is negatively impacted.

The committee notes that since 2007 total program cost of DCGS–A has been in excess of $3.0 billion. Costs to complete the program are estimated to be in excess of an additional $7.0 billion.

Accordingly, the committee recommends an undistributed decrease in OMA of $63.0 million for DCGS–A.

Foreign currency fluctuations

The budget request included $33.8 billion for Operation and Maintenance, Army (OMA), $39.5 billion for Operation and Maintenance, Navy (OMN), $6.0 billion for Operation and Maintenance, Marine Corps (OMMC), $37.5 billion for Operation and Maintenance, Air Force (OMAF), and $32.6 billion for Operation and Maintenance, Defense-wide (OMDW).

The committee believes that when foreign currency fluctuation (FCF) rates are determined by the Department of Defense, the balance of the FCF funds should be considered, particularly if the balance is close to the cap of $970.0 million. The Government Accountability Office (GAO) has informed the committee that as of March 2016, the Department does not plan to transfer in any prior year unobligated balances to replenish the account for fiscal year 2016. GAO analysis projects that the Department will experience a net gain in fiscal year 2017 due to favorable foreign exchange rates.

Accordingly, the committee recommends a decrease of: $59.2 million to OMA, $14.6 million to OMN, $2.9 million to OMMC, $33.5 million to OMAF, and $10.6 million to OMDW for FCF.

Bulk fuel savings

The budget request included $33.8 billion for Operation and Maintenance, Army (OMA), $39.5 billion for Operation and Maintenance, Navy (OMN), $6.0 billion for Operation and Maintenance, Marine Corps (OMMC), $37.5 billion for Operation and Maintenance, Air Force (OMAF), and $32.6 billion for Operation and Maintenance, Defense-wide (OMDW).

The committee understands that as of March 2015, the Department has overstated its projected bulk fuel costs for fiscal year 2017.

Accordingly, the committee recommends the following decreases: $123.3 million to OMA, $238.4 million to OMN, $24.7 million for OMMC, $394.6 million to OMAF, and $41.1 million to OMDW for bulk fuel savings.

Army National Guard psychological health increase

The budget request included $6.8 billion in Operation and Maintenance, Army National Guard (OMARNG), of which $245.0 million was for SAG 434 Other Personnel Support.

The committee understands that within this request was $7.4 million for 69 Director of Psychological Health (DPH) positions within the Army National Guard. This level of funding is insufficient to cover the full validated requirement of 157 DPH positions. The committee notes that the Army National Guard has one of the highest rates of suicides in the military and that over 60 percent of those suicides were soldiers who never deployed and are not eligible for behavioral healthcare provided by the Department of Veterans Affairs. For these members of the Army National Guard, the DPH can administer on-site screening, counseling and referral to community resources when needed.

Accordingly, the committee recommends an increase in OMARNG of $9.5 million to SAG 434 Other Personnel Support.

Army National Guard underexecution reduction

The budget request included $6.8 billion in Operation and Maintenance, Army National Guard (OMARNG), of which $245.0 million was for SAG 434 Other Personnel Support.

Based on analysis by the Government Accountability Office, the committee understands this subactivity group has historically underexecuted its appropriated funding.

Accordingly, the committee recommends a decrease in OMARNG of $5.0 million for SAG 434 Other Personnel Support.

Navy readiness unfunded priorities increases

The budget request included $39.4 billion for Operation and Maintenance, Navy (OMN), of which $1.0 billion was for SAG 1A5A Aircraft Depot Maintenance, $564.7 million was for SAG 1A9A Aviation Logistics, and $0.0 million was for SAG 4B2E Environmental Programs.

The committee notes that, within the Navy's unfunded priorities list, the Chief of Naval Operations has identified specific amounts in these readiness accounts that could help accelerate readiness recovery. The committee notes that these recommended increases will increase aviation depot maintenance and E–6B and F–35 sustainment capabilities. The committee further notes that these recommended increased will help crucial environmental restoration.

Accordingly, the committee recommends the following increases in OMN: $34.0 million for SAG 1A5A Aircraft Depot Maintenance, $16.0 million for SAG 1A9A Aviation Logistics, and $18.0 million for SAG 4B2E Environmental Programs.

Navy enterprise information reduction

The budget request included $39.4 billion in Operation and Maintenance, Navy (OMN), of which $790.7 million was for SAG BSIT Enterprise Information.

Based on analysis by the Government Accountability Office, the committee understands this subactivity group has historically underexecuted its appropriated funding.

Accordingly, the committee recommends a decrease of $54.3 million to SAG BSIT Enterprise Information due to low execution in prior years.

United States Southern Command unfunded priorities increase in security programs

The budget request included $33.8 billion in Operation and Maintenance, Army (OMA), of which $1.1 billion was for SAG 411 Security Programs.

The committee notes that United States Southern Command (SOUTHCOM) identified intelligence, surveillance, and reconnaissance as an unfunded priority.

Accordingly, the committee recommends an increase in OMA of $6.0 million for SAG 411 Security Programs for SOUTHCOM airborne intelligence, surveillance, and reconnaissance.

Naval History and Heritage Command reduction

The budget request included $39.4 billion for Operation and Maintenance, Navy (OMN) of which $285.9 million was for SAG 4A5M Other Personnel Support.

The committee understands that within this request was $10.0 million for an increase to the Naval History and Heritage Command. The committee believes these funds can be better aligned for other readiness priorities.

Accordingly, the committee recommends a decrease of $4.0 million to OMN for SAG 4A5M Other Personnel Support.

Marine Corps readiness unfunded priorities increases

The budget request included $5.9 billion for Operation and Maintenance, Marine Corps (OMMC) of which $674.6 million was for SAG 1A1A Operational Forces, $947.4 million was for SAG 1A2A Field Logistics, $206.7 million was for SAG 1A3A Depot Maintenance, $632.6 million was for SAG BSM1 Sustain, Restoration & Modernization. The budget request also included $39.4 billion for Operation and Maintenance, Navy (OMN), of which $564.7 million was for SAG 1A9A Aviation Logistics.

The committee notes that, within the Marine Corps' unfunded priorities list, the Commandant of the Marine Corps has identified specific amounts in these readiness accounts that could help accelerate readiness recovery. Specifically, the committee understands the Marine Corps has identified exercise program shortfalls, aviation readiness gaps in depot maintenance, enterprise network defense, explosive ordnance disposal mission equipment needs, rifle optics modernization, nano-UAS capabilities, and shortfalls in facilities demolition.

Accordingly, the committee recommends the following increases to OMMC: $63.7 million for SAG 1A1A Operational Forces, $28.1 million for SAG 1A2A Field Logistics, $7.8 million for SAG 1A3A Depot Maintenance, and $39.2 million for BSM1 Sustainment, Restoration and Maintenance. Additionally, the committee recommends an increase to OMN for $5.4 million for SAG 1A9A Aviation Logistics.

Air Force, Air Force Reserve, and Air National Guard readiness unfunded priorities increases

The budget request included $37.5 billion for Operation and Maintenance, Air Force (OMAF), of which $1.6 billion was for SAG 011C Combat Enhancement Forces, $7.1 billion was for SAG 011M Depot Maintenance and $1.5 billion was for SAG 021M Depot Maintenance. The budget request included $3.1 billion in Operation and Maintenance, Air Force Reserve (OMAFR), of which 230 million was for SAG 011G Mission Support Operations. The budget request also included $6.7 billion for Operation and Maintenance, Air National Guard (OMANG) of which $7.0 billion was for SAG 011M Depot Maintenance.

The committee notes that, within the Air Force's unfunded priorities list, the Chief of Staff of the Air Force has identified specific amounts in these readiness accounts that could help accelerate readiness recovery. The committee notes that this recommended increase will improve shortfalls of the HC/HH–60 C4I platform. The committee further notes that this recommended increase will improve Air National Guard depot maintenance efforts.

Accordingly, the committee recommends an increase of $2.8 million for SAG 011C Combat Enhancement Forces, $150.4 million for SAG 011M Depot Maintenance, and $66.4 million for SAG 021M Depot Maintenance in OMAF and $29.0 million for SAG 011G Mission Support Operations in OMAFR. The committee also recommends an increase in OMANG of $43.2 to SAG 011M Depot Maintenance.

Air Force advertising reduction

The budget request included $37.5 billion in Operation and Maintenance, Air Force (OMAF), of which $104.7 million was for SAG 033A Recruiting and Advertising.

The committee understands that within the Recruiting and Advertising request was an increase of $29.2 million to fund additional marketing and advertising efforts. The committees notes this request would more than double the Air Force's advertising budget. The committee believes these funds can be better aligned for other readiness priorities.

Accordingly, the committee recommends a decrease of $27.0 million in OMAF to SAG 033A Recruiting and Advertising.

Special Operations Command civilian compensation

The budget request included $5.4 billion in Operations and Maintenance, Defense-wide (OMDW) for U.S. Special Operations Command (SOCOM), of which $751.8 million is for civilian compensation. The committee notes that the budget request for SOCOM civilian compensation for fiscal year 2017 is $72.7 million more than what was enacted for fiscal year 2016, which represents an approximately 10 percent increase. The committee recommends a reduction of $45.3 million to be applied to higher priority requirements.

Defense Logistics Agency Price Comparability Office

The budget request included $358.0 million in Operation and Maintenance, Defense-Wide for the Defense Logistics Agency

(DLA), of which $61.4 million was for the Price Comparability program.

The committee recommends a reduction of $5.8 million in Operation and Maintenance, Defense-Wide for the Defense Logistics Agency (DLA) Price Comparability program which would return the program to its fiscal year 2015 budget level.

Defense Security Cooperation Agency foreign partner engagement programs

The budget request included $496.8 million in Operation and Maintenance, Defense-Wide (OMDW), for the Defense Security Cooperation Agency, of which $270.2 million is for the Global Train and Equip Program, $58.6 million for the Regional Centers, $21.8 million is for the Wales Initiative Fund/Partnership for Peace, $26.8 million for the Combating Terrorism Fellowship Program, $25.6 million for the Defense Institution Reform Initiative, $9.2 million for the Ministry of Defense Advisors program, $2.6 million for the Defense Institute of International Legal Studies. The committee recommends a transfer of $414.8 million to the Security Cooperation Enhancement Fund in Title 14 of this Act.

Funding for impact aid

The budget request included $2.7 billion in the Operation and Maintenance, Defense-wide (OMDW) for the Office of the Secretary of Defense (SAG 4GTJ) for the operations of the Department of Defense Education Activity. The amount authorized to be appropriated for OMDW includes the following changes from the budget request. The provisions underlying these changes in funding levels are discussed in greater detail in title V of this committee report.

[Changes in millions of dollars]

Impact aid for schools with military dependent students	+25.0
Impact aid for children with severe disabilities	+5.0
Total	+30.0

Office of Economic Adjustment reduction

The budget request included $32.5 billion for Operation and Maintenance, Defense-wide of which $155.3 million was for SAG 4GTM Office of Economic Adjustment.

The committee understands that within this request was $19.2 million for non-defense funding related to a public health lab. The committee notes there is an additional $13.0 million in prior year funding that has not yet been obligated for this project. The committee notes that with over 1.3 million people visiting Guam from countries with "emerging infections," the addition of 5,000 marines would have a limited impact. Therefore, the committee encourages the administration to seek funding for any needed civilian lab from appropriate civilian sources.

Accordingly, the committee recommends a decrease of $32.2 million to SAG 4GTM Office of Economic Adjustment and recommends that the Department seek to reprogram the prior year funds to higher priority requirements.

Defense-wide funding decrease for base realignment and closure planning and support

The budget request included $32.5 billion for Operation and Maintenance, Defense-wide (OMDW), of which $1.4 billion was for SAG 4GTN Office of the Secretary of Defense.

The committee understands that $4.0 million was to be used for base realignment and closure (BRAC) planning and support. The bill recommended by the committee would prohibit the expenditure of funds for a new BRAC round.

Accordingly, the committee recommends a decrease of $4.0 million in OMDW for SAG 4GTN Office of the Secretary of Defense.

Department of Defense rewards program reduction

The budget request included $1.4 billion in the Operation and Maintenance, Defense-wide (OMDW) for the Office of the Secretary of Defense (SAG 4GTN), of which $6.6 million was for the Department of Defense (DOD) rewards program.

The committee continues to be concerned that the DOD rewards program has been hampered by historical under-execution.

Accordingly, the committee recommends a decrease of $5.0 million to SAG 4GTN for the DOD rewards program.

Funding for Secretary of Defense delivery unit

The budget request included $32.6 billion for Operation and Maintenance, Defense-wide (OMDW), of which $1.5 billion was for SAG 4GTN Office of the Secretary of Defense. The committee recommends an increase of $30.0 million in OMDW to SAG 4GTN Office of the Secretary of Defense for a delivery unit for the Secretary of Defense to bring in professionals with deep experience in management consulting, organization transformation, and data analytics to assist with key reforms and business transformation priorities. The provision underlying this change in funding levels is discussed in greater detail in title IX of this committee report.

National Commission on Military, National, and Public Service

The budget request included $171.3 billion in Operation and Maintenance.

The committee recommends an undistributed increase of $15.0 million in Operation and Maintenance that would establish the National Commission on Military, National, and Public Service as an independent commission, which shall remain available until expended. Additional information on this recommended increase can be found in Title X, Subtitle H.

Funding for waiver of long-term temporary duty travel per diem rates

The budget request included $171.3 billion in Operation and Maintenance. The committee recommends an increase of $5.0 million in Operations and Maintenance to authorize a waiver of temporary duty travel per diem rates up to the full rate in long-term temporary duty travel activity. The provision underlying this change in funding levels is discussed in greater detail in title XI of this committee report.

Modeling of an Alternative Army Design and Operational Concept

The budget request included $32.6 billion for Operations and Maintenance, Defense-Wide, of which $85.7 million was for the Joint Chiefs of Staff (SAG 3PL1). The committee recommends an increase of $10.0 million to SAG 3PL1 for the modeling of an alternative Army design and operational concept. Additional funding would allow the Secretary of Defense to establish an office to study and evaluate the reconnaissance strike group concept as recommended by the National Commission on the Future of the Army.

Items of Special Interest

Additive manufacturing recommendations

The committee recognizes the advances being made by the Department of Defense (DOD) in the rapidly emerging additive manufacturing (AM), or 3-D printing environment. The committee strongly encourages DOD to more aggressively pursue AM capabilities that are innovative, adaptive, improve readiness, and enables the military services to be more self-sustainable, while developing the ability to qualify and certify AM produced items. The committee commends the Navy, in particular, for its leadership in this area regarding its AM roadmap and recognizing the potential AM could improve DOD capabilities in the areas of on-demand warfighting systems, agile supply chains, expeditionary sustainment, personalized medical care, and energetics. For example, the committee commends the Navy for its testing and flight critical part demonstration of a V–22 nacelle link and fitting.

However, it is clear that industry remains at the forefront, leading the way in AM. While there are multiple nascent efforts in AM, there are unique Navy and Marine Corps challenges such as afloat stabilization, fire hazards, and space constraints that must be addressed to fully realize the benefits of AM for widespread implementation. The committee is aware of the many demonstration and prototyping efforts, but it is still unclear when DOD will implement and more fully benefit from these advances in AM.

The committee understands that DOD may already have some appropriate authorities to enter into public-private partnerships, however, the committee strongly encourages faster AM adoption and learning across DOD, as well as collaboration and opportunities to seek efficiencies as each of the military services make investments in AM. Further, the Government Accountability Office noted in its 2015 report on AM that DOD needs to systematically track and disseminate the results of AM efforts across DOD. As a result, DOD may not have the information it needs to leverage resources and lessons learned from AM efforts and thereby facilitate the adoption of the technology across DOD.

Accordingly, the committee directs the Secretary of Defense to provide a report to the congressional defense committees no later than February 1, 2017. The report should include, but not be limited to: (1) details from each of the military services regarding their current AM efforts to include fiscal years 2016 and 2017 planned and completed demonstrations and prototyping efforts; (2) details regarding joint-development projects and efficiencies achieved

through intra-service collaboration; (3) details regarding AM qualification and certification efforts for materials, processes and components; (4) a recommendation regarding the expanded use of Working Capital Funded pilot programs, potential changes to public-private partnerships within the defense industrial base, or any other potential changes in law that could enable DOD to better demonstrate and execute AM end use component fabrication.

Addressing unacceptable conditions at al Udeid Air Base

The committee remains concerned by reports that servicemembers have been exposed to unacceptable living conditions, including black mold, in latrines and living quarters at al Udeid Air Base in Qatar.

The committee continues to believe that all servicemembers deserve safe and healthy living conditions.

The committee understands that the Air Force is implementing a four-point plan to maintain, repair, renovate, and replace substandard facilities at al Udeid Air Base. The committee expects the Air Force to keep the committee updated on its efforts at al Udeid Air Base and to address any remaining problematic living conditions across United States Central Command, including at al Udeid, without delay.

Advertising activities among the military service components

The committee understands that as part of its efforts to meet yearly military recruitment goals, the Department of Defense (DOD) requested almost $575.0 million for fiscal year 2017. The committee notes that preliminary findings from the Government Accountability Office (GAO) indicate that DOD has taken steps to coordinate some advertising activities among the military service components, but it has not developed a formal process for coordination and addressing inefficiencies to ensure information sharing among the services. The GAO found examples of possible unnecessary duplication, overlap, and fragmentation that may result from the absence of coordination. For example, the Air Force has three advertising programs that contract with three advertising agencies, but officials could not provide a rationale for requiring separate programs.

The committee also notes that the GAO found the military service components vary in their ability to determine whether their activities are generating leads for potential recruits. For example, while the Marine Corps has developed a framework to assess the effectiveness of its advertising including leads generated from advertising activities at the local level, Army officials stated they do not have reliable data to evaluate whether locally executed advertising activities are generating leads, and the Army National Guard does not require state units to report on the performance of their advertising activities. The committee concurs with the GAO finding that without fully measuring advertising performance, especially at the local levels, DOD may be unable to ensure advertising dollars are used efficiently and effectively to help meet recruiting goals.

Additionally, the committee remains concerned that some military service components are paying sport teams to provide recognition ceremonies for service members—a practice later deemed unacceptable by DOD—suggest that the absence of DOD oversight may have contributed to some activities of questionable appropriateness. Without a Department-wide policy that clearly defines its oversight role, DOD lacks reasonable assurance that advertising is carried out in an effective and appropriate manner.

Accordingly, the committee directs the Secretary of Defense, in consultation with officials from the military service components and the Joint Advertising Market Research Studies office, to develop a formal process for coordination on crosscutting issues to facilitate more effective use of advertising resources. As part of this process, the Secretary shall review existing advertising programs to identify opportunities to reduce unnecessary duplication, overlap, and fragmentation and obtain potential efficiencies. The Secretary shall also clearly define DOD's role in overseeing the advertising activities of military service components, clarify issues related to sports related advertising and marketing, and outline procedures that should guide the components' advertising activities for other types of advertising, such as concerts or other event advertising and digital advertising.

Additionally, the committee directs the secretaries of the military departments to review and ensure that each military service component fully measures advertising performance. This review shall include both the identification of measurable goals in advertising plans and contracts, and ensure that the military service components have access to the necessary performance data to determine the effectiveness of their advertising for lead generation activities.

The above mentioned formal process and review should be prepared in a report to the Committees on Armed Services of the Senate and the House of Representatives no later than March 1, 2017.

Army Foundry Military Intelligence Program

The committee urges the Army to use the Army Foundry Military Intelligence Training Program for maximum training effect. Army Regulation 350–32 states that "Foundry enables Army intelligence personnel to sustain intelligence skills pertinent to their unit's mission, to improve their individual and collective technical and analytical skills, and to receive required accreditation and certification training to successfully execute intelligence missions in support of the unit's mission." The appropriated funds for this account are limited and intended to support this vital training of soldiers.

The Committee directs the Secretary of the Army to review and certify to Congress that Foundry Military Intelligence Training Program funds are being used for the purposes outlined in Army Regulation 350–32. The secretary's report is to be sent to the committee within 180 days of the enactment of this bill.

Army requirements for footwear technology

The committee understands that the Army procures a wide range of footwear products that incorporate expanded polytetrafluoroethylene (ePTFE) membrane technology. The committee further

understands that Army product description documents, currently used in footwear Requests For Proposals seek to achieve a small set of capabilities that are subsequently addressed with 35-year-old ePTFE technology.

The committee is aware that ePTFE technology, other new membrane technologies, and associated laminates have advanced significantly over the years and can address current Army requirements and future Army needs, while achieving enhanced and diverse sets of capabilities, comfort, and performance.

Accordingly, the committee directs the Secretary of the Army to submit a report to the Committees on Armed Services of the Senate and the House of Representatives no later than December 15, 2016. This report shall provide a detailed review to include evaluation and testing outcomes, of new ePTFE membrane, laminates, and other membrane technologies that can meet current requirements and address a wider set of current and future Army footwear capability needs and objectives. In addition, this report shall also suggest potential revisions to current requirements and associated footwear product descriptions that could expand access to these new technology advancements.

Assessment of Navy and Marine Corps training requirements

The committee notes that the Navy and Marine Corps will continue to confront an increasingly complex security environment that will demand a wide range of missions, such as defeating terrorist organizations in the Middle East and responding to worldwide humanitarian crises. The committee understands that to meet these evolving challenges, the services have developed plans to synchronize training and deployment schedules to improve readiness and are reemphasizing training for core skills that degraded during a decade of counterinsurgency operations.

The committee is concerned, however, that factors such as equipment availability due to maintenance delays and access to training ranges can affect the services' ability to conduct training for their core capability areas. The committee is further concerned that the military services continue to face an environment of uncertain and constrained budgetary resources for the foreseeable future.

The committee notes, for example, in fiscal year 2013, the Department of Defense's operation and maintenance accounts, specifically those which fund the military services' training programs, were reduced by approximately $20.0 billion under the spending caps agreed to in the Budget Control Act of 2011 (Public Law 112–25). Due to these reductions, the services curtailed some training or reduced the number of larger training exercises.

The committee is aware that some targeted investments have been made since fiscal year 2013 to improve training readiness, but remains concerned about the Navy and Marine Corps' ability to balance training investments with available resources. As a result, the committee believes the services will need to fundamentally reexamine the requirements for training their forces and explore whether they can achieve additional efficiencies or cost savings in their training approaches, such as by increasing reliance on virtual or simulator technologies to meet some training tasks.

Accordingly, the committee directs the Comptroller General of the United States to evaluate the extent to which the Navy and Marine Corps have: (1) processes that establish requirements and resource needs to train forces for core capability areas; (2) conducted training for core capability areas and identified any factors that limit this; and (3) integrated the use of virtual training to prepare forces for the full range of military operations.

The committee further directs the Comptroller General of the United States to brief the Senate Committee on Armed Services not later than February 15, 2017, on preliminary findings of the Comptroller General's evaluation with a final report to be completed by April 1, 2017.

Assessment on duplication and inefficiencies within the Defense Logistics Agency and United States Transportation Command

The committee notes that the Defense Logistics Agency (DLA) provides the military services with a full spectrum of logistics services, including the storage and distribution of consumable items, such as spare parts, fuel, and construction material, across the world. Additionally, DLA aims to position inventory to meet customer needs in a timely manner through its network of distribution warehouses while ensuring that the efficiency of its transportation network, which is also referred to as supply alignment.

The committee also notes that the U.S. Transportation Command (TRANSCOM) provides air, land, and sea transportation for DOD and is the manager of the DOD Transportation System, which relies on military and commercial resources to support DOD's transportation needs. In particular, TRANSCOM manages the Defense Transportation Coordination Initiative program, which is focused on improving the efficiency of transportation and distribution of freight through a commercial partnership with a world-class logistics provider.

The committee believes that while DLA and TRANSCOM have different missions in support of the warfighter, there may be efficiencies that could be created reorganizing or consolidating the two agencies. Additionally, the committee is concerned that some of the functions that currently reside with either organization may be better suited for the service-level functions.

Accordingly, the committee directs the Secretary of Defense to direct an assessment of the Defense Logistics Agency and the United States Transportation Command conducted by an independent, non-governmental entity that has recognized credentials and expertise in business operations and military affairs appropriate for this assessment. The assessment should include but not be limited to: (1) DLA's use of TRANSCOM's Defense Transportation Coordination Initiative program; (2) DLA's efforts to improve supply alignment and TRANSCOM's role in DLA's efforts; (3) DLA's and TRANSCOM's efforts to identify and implement transportation and distribution efficiencies; (4) the role of the individual services in the identified functions of DLA and TRANSCOM and whether there would be any efficiencies gained by moving any functions from DLA and TRANSCOM to the services; (5) identification of senior flag officer positions no longer required at DLA and TRANSCOM due to

consolidation and delegation of functions; (6) recommendation regarding future need for TRANSCOM to remain a combatant command due to consolidation and delegation of functions; and (7) any other recommendations on ways that a reorganization, or consolidation of these entities could improve efficiencies including the shifting of any functions out of either organization back to the military services.

The committee further directs that a briefing on preliminary findings be given to the Committees on Armed Services of the Senate and the House of Representatives not later than December 15, 2016, with the final report to be delivered in conjunction with the annual budget submission for fiscal year 2018.

Battery standardization plan

The committee notes that in 2014, the Army conducted a study that determined the Army communications-electronics (CE) battery list had over 200 batteries on it and estimated the net gain would average five new batteries each year. The committee is aware that the Army is developing a formal requirement for battery modernization and interface standardization that seeks to standardize soldier-worn CE batteries down to six battery components. The committee understands this would be the foundation of an Army standard family of batteries.

The committee remains supportive of the efforts of the Army and the other military services to improve soldier-worn CE batteries and increase combat capability. However, the committee is concerned that soldier-worn technology modernization should also maximize inventory efficiencies reducing logistical inefficiencies as CE and soldier-worn batteries continue to proliferate. The committee also believes this is an issue across all of the military services.

Accordingly, the committee directs the Secretary of Defense to provide a plan to the congressional defense committees no later than March 31, 2017 on: (1) How the Department of Defense (DOD) will develop formal requirements for battery modernization and interface standardization that seek to minimize the inventory of batteries and battery components; (2) Leveraging commercial innovation and products; (3) Using the products of research and development efforts in DOD, the Department of Energy, and the commercial sector; and (4) Working with DOD research and development programs to support efforts of standardization.

Civil Air Patrol (CAP)

The Committee notes the Air Force's fiscal year 2017 budget request does not fully fund the CAP's fiscal year 2017 requirement for $30.24 million in Operations and Maintenance, only funding at 85 percent of the requirement. The committee is concerned this lack of funding will greatly degrade CAP's ability to conduct state and local emergency response and counter-drug missions. Additionally, reduced funding may also adversely impact thousands of community youth programs and eliminate crucial aircraft and national communications upgrades.

Therefore, the committee directs the Commander, Air Education and Training Command to submit a report and provide a briefing

to this committee, no later than 180 days after the enactment of this Act, to present historical funding trends for the CAP, and assess the CAP's current mission shortfalls due to funding gaps.

Clarification of the Department of Defense's authority to perform environmental response actions on other agency's lands in the case of aircraft crashes

The Committee notes that Section 2691 of title 10, United States Code, currently allows a military department to restore the lands of another federal agency damaged by an aircraft crash, when there is a pre-existing land use agreement with the other agency. Additionally, even absent such agreement, the 1986 law creating the Defense Environmental Restoration Program (DERP), 10 U.S.C. 2700 et. seq., authorizes the Department of Defense (DOD) to perform environmental response actions at property under the jurisdiction of another federal agency if such property is contaminated by the crash of a DOD aircraft.

Clarification on the importance of operation and maintenance savings

The committee recognizes that, in addition to energy savings, the military services should consider funding sources for Energy Savings Performance Contracts (ESPC) to include energy and project-related operation and maintenance (O&M) savings, which are both equally permitted under the ESPC statute. Therefore, O&M savings should not be limited by the administration or an agency, and should be utilized to improve resiliency and achieve Federal energy reduction goals.

Comprehensive review of the Army sustainable readiness model

The committee notes that the Army is redesigning its process for generating forces with a goal of having units that are able to sustain a desired level of readiness over longer periods of time when not deployed on a given mission, called the sustainable readiness model (SRM). The committee understands that the SRM will rotate forces through a cycle of deployments over time, just as the Army did under the previous force generation concept, the Army force generation process (ARFORGEN). However, unlike ARFORGEN, the committee understands that SRM will have a tiered aspect that will ensure that some capabilities and unit types will be resourced to a higher readiness level than others. The committee notes that the Army's objective is to have 66 percent of the active component force in a Category 1 or 2 ready status at any moment in time to rapidly respond to a major contingency, however, the Army has not yet determined exact readiness goals for the Army National Guard and Army Reserve.

The Chief of Staff of the Army has directed that the SRM be implemented by fiscal year 2017. The committee is concerned that implementing SRM will require fundamental shifts in how the Army organizes, trains, equips, and manages the force. Among other things, the Army will need to ensure that a unit's collective training events, command changes, and personnel rotations are well synchronized, and that units returning from deployment do not suf-

fer significant and abrupt personnel transfers that prevent them from redeploying on short notice to meet unforeseen demands. Over the next 12 months, the Army also will need to establish and codify the roles, responsibilities, and processes for coordinating these force management actions across the total Army, and for making the resource allocation decisions needed to implement SRM as the Army intends.

To inform committee oversight of the Army's plan to fundamentally restructure its force generation process, the committee directs the Comptroller General of the United States to conduct a comprehensive review of the Army's SRM force generation concept. The assessment that supports this review should compare and contrast SRM with ARFORGEN, including similarities and differences in the goals, objectives, resource requirements, and supporting force management processes. Additionally, the review shall provide the Comptroller General's assessment on the Army's goals, plans, and progress for implementing sustainable readiness, including: (1) The Army's governance of the transition to and implementation of the SRM concept; (2) the readiness goals and resources required to sustain readiness; (3) potential changes to the Army's processes for manning, equipping, and training forces in order to support Sustainable Readiness; and (4) any other aspects of the sustainable readiness concept the Comptroller General deems significant.

The committee directs that the Comptroller General should provide a briefing of preliminary findings of the review to congressional defense committees by February 15, 2017, followed by one or more reports no later than April 1, 2017.

Comptroller General review of emerging contaminants on military installations

Defense operations at military bases often require the use of hazardous materials, including solvents and corrosives; fuels, paint strippers and thinners; metals such as lead, cadmium, and chromium; and unique military substances such as nerve agents and unexploded ordinance, the release of which has resulted in environmental contamination. One of the primary purposes of the Defense Environmental Restoration Program (DERP) is to help protect the life, health, and safety of military service members and their families by among other things, the ongoing process of detecting the discharge of environmental contaminants when they occur and the associated environmental remediation as needed. It is especially important to protect installation drinking water systems and supplies from contamination.

A class of unregulated drinking water contaminants exists that either lack human health standards or have an evolving science and regulatory status, which raises questions about how this class of contaminants is tested for and managed on military installations, including whether the military services are being consistent in their approaches to this. The use and releases of these emerging contaminants raises concerns about the ability of the military services to ensure a safe and healthful work environment on or near installations. Such contaminants have been tested for and found from time to time on some installations. For example, the Department of Defense (DOD) has been testing for RDX, a white crys-

talline solid used in explosives and demolition blocks. Moreover, DOD has detected perchlorate in groundwater and drinking water samples taken at an installation whose missions included launching rockets. Once a release has been confirmed, environmental remediation activities may be needed to respond to the release, offer a structure for cleanup, and protect public health.

A key concern of the committee is the need to ensure that DOD maintains installation mission capability and a safe and healthful environment on military installations. For this reason, the committee directs the Comptroller General of the United States to conduct a review of DOD's program to effectively manage emerging contaminants in sources of drinking water to protect readiness, people, and the environment. The Comptroller General is further directed to provide a report by April 10, 2017 or a briefing by that date with a final report as soon as practicable thereafter to the congressional defense committees. At a minimum, the study should answer the following questions:

(1) To what extent have DoD and its components issued and effectively implemented guidance to ensure adequate control, detection and remediation in the event that emerging contaminants are released to the environment?

(2) What is known about the effectiveness of DoD's and its components' programs to protect public health and the environment from emerging contaminants in such areas as installation drinking water systems and supplies?

(3) Have the military departments adopted and implemented consistent policies and procedures?

(4) To what extent are DoD and its service components using guidelines, policies, and advisories established by the Environmental Protection Agency, the Centers for Disease Control and other federal agencies regarding emergent containments. What challenges do they face when interpreting and applying such resources?

(5) What is the current status of drinking water infrastructure across military installations?

Comptroller General review of F–22A global force posture

The committee is concerned the proliferation of increasingly capable integrated air defense systems (IADS) by emerging and reemerging potential adversaries have created regions where fourth-generation airborne systems likely cannot operate. Additionally, potential adversary air-to-air capabilities are rapidly approaching parity with, and in some cases, surpassing, the capabilities of U.S. and allied fourth generation fighter aircraft.

Based on these factors, the committee is concerned the global force posture of America's only currently fielded and fully operational fifth-generation fighter, the F–22A, may not be optimized to deter, and if necessary, quickly defeat any potential adversary hostile actions in a variety of regions around the globe.

Therefore, the committee directs the Comptroller General of the United States to submit to the Committees on Armed Services of the Senate and the House of Representatives a report setting forth the results of a study conducted by the Comptroller General, with preliminary observations due no later than March 3, 2017 and a

final report to follow. The review, assessment, and recommendations by the Comptroller General should include, but are not limited to:

(1) Most efficient and combat effective F–22A squadron size in numbers of primary assigned aircraft and deployable unit type code packages;

(2) Optimal ratio in the F–22A fleet of primary mission aircraft inventory to backup aircraft inventory and attrition reserve aircraft;

(3) Consideration of small fleet size characteristics and constraints;

(4) Optimal ratio of overseas versus continental United States (CONUS) stationed F–22A units;

(5) Optimal locations for overseas regional and CONUS stationing of F–22A units to provide most effective presentation of fifth-generation airborne forces to regional combatant commanders;

(6) Consideration of F–22A global force posture in anticipation of increased fielding of F–35 Joint Strike Fighter aircraft; and

(7) Other information such that the Comptroller General considers appropriate to include in the report.

Cyber implementation at the combat training centers

The committee recognizes and is strongly encouraged by the cyber training support to corps and below (CSCB) pilot program implemented through the cyber opposing forces support during every Joint Readiness Training Center and National Training Center rotation. The committee understands that the CSCB pilot prepares combat training centers (CTC) to execute cyberspace operations and is intended to inform Army-wide doctrine, organization, training, materiel, leadership and education, personnel, and facilities development. The committee further understands that any future changes in the cyber force will be informed through the CSCB pilot, subsequent lessons learned, and the 2016 CTC Program Comprehensive Review, which will conduct an analysis for increased contested cyberspace activity at the CTCs.

Cybersecurity guidelines for micro-grids

The committee directs the Secretary of Defense to report to the congressional defense committees no later than March 30, 2017 on established cybersecurity guidelines for micro-grids and installation energy and utility systems. The guidelines should recognize that installation energy managers may not currently have the expertise to identify and mitigate cybersecurity threats and that cybersecurity managers tasked with maintaining the functionality of the electricity grid may not have the expertise to be able to provide solutions required to maintain the functionality of a micro-grid or installation. The report should be unclassified, but may contain a classified annex as deemed appropriate.

Defense Logistics Agency overhead costs

The committee notes the Defense Logistics Agency (DLA) sources and provides nearly every consumable item used by our military

forces worldwide. The committee also notes the Department of Defense (DOD) uses the defense-wide working capital fund to cover DOD's costs for providing services and purchasing commodities under three DLA activity groups: supply chain management, energy management, and document services. The committee understands the defense-wide working capital fund is reimbursed through DLA's sale of commodities and services to the military services and other customers, such as other federal agencies and foreign military sales. The committee further understands that DLA incorporates overhead costs into the reimbursement rates it charges its customers, which DLA uses to offset facilities sustainment, restoration, and modernization; transportation; storage, and other costs.

The committee is interested in the potential for improving DLA's overhead cost estimates, which could, in turn, contribute to more accurate budget estimates and potential savings.

Accordingly, the committee directs the Comptroller General of the United States to evaluate: (1) the nature and size of DLA activities financed by overhead costs reimbursed through the defense-wide working capital fund; (2) how DLA calculates overhead costs for the commodities and services it manages through the defense-wide working capital fund; (3) how DLA's estimated overhead costs have compared to actual costs since fiscal year 2009, and factors that have contributed to any differences; and (4) the options, if any, DLA has considered in adjusting its approach to determining overhead costs in light of any differences between estimated and actual overhead costs.

The committee further directs the Comptroller General of the United States to brief the Senate Armed Services Committee not later than March 15, 2017, on preliminary findings of the evaluation with a final report to be due by June 30, 2017.

Defining readiness and interoperability for commercial carriers

The committee notes that the National Airlift Policy (NAP) was established to ensure that military and commercial air carrier resources are able to meet defense mobilization and deployment requirements. The committee further notes that section 5 of the NAP states, "Consistent with the requirement to maintain the proficiency and operational readiness of organic military airlift, the Department of Defense (DOD) shall establish appropriate levels for peacetime cargo airlift augmentation in order to promote the effectiveness of the Civil Reserve Air Fleet (CRAF) and provide training within the military airlift system." The committee further notes that section 9517 of title 10, United States Code, states, "[I]t is the policy of the United States to maintain the readiness and interoperability of Civil Reserve Air Fleet carriers by providing appropriate levels of peacetime airlift augmentation to maintain networks and infrastructure, exercise the system, and interface effectively within the military airlift system."

The committee is concerned, however, that there is no clear definition of what constitutes "readiness" or "interoperability" in regard to commercial carriers. The committee understands that this has led to misunderstandings about how best to promote the effec-

tiveness of the CRAF and what constitutes training within the military airlift system. The committee also recognizes that the absence of definitions has resulted in different assessments of what level of commercial augmentation is sufficient to meet DOD's readiness and interoperability requirements. The committee notes that according to DOD's Report, as mandated by the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92), commercial augmentation levels will remain well above the minimum required for readiness and interoperability for the foreseeable future. The committee believes, however, a definition of readiness and interoperability, with associated metrics, would help determine if the level of commercial augmentation is achieving the intent of the National Airlift Policy and title 10. The committee notes this will provide a more realistic assessment of the ability of commercial carriers to operate within the military airlift system.

Accordingly, the committee directs the Secretary of Defense to develop definitions of readiness and interoperability for CRAF and suitable metrics to determine that readiness and interoperability are achieved, to include an explanation of the weighting of ground based activities, as specified in the "Level of Readiness of CRAF Carriers", and engagements versus level of commercial aircraft activity at DOD aerial ports. In determining those definitions, the committee directs the Department to consult with its CRAF partners through its semi-annual meetings and other forums.

Additionally, the committee directs the Department to include those definitions and metrics in the next "Level of Readiness of CRAF Carriers" report to Congress due concurrently with the submission of the President's budget for fiscal year 2018.

Demilitarization of conventional munitions

The committee notes that at current funding levels, the stockpile of conventional munitions awaiting demilitarization is projected to grow from approximately 480,000 tons to more than 700,000 tons by 2021.

The committee notes that in light of current budget constraints, coupled with an increased emphasis on training within all of the military services, destruction or sale of these munitions should be a last resort. The committee further notes that even though the stockpile awaiting to be demilitarized is growing, it is concerning that procurement of some munitions continues to rise. The committee believes that procedures for how these munitions are classified as suitable for use or that they must be demilitarized could lead to cost savings and increased military readiness. In addition, the Government Accountability Office noted in its 2016 annual report on fragmentation, overlap, and duplication that DOD could potentially reduce its storage, demilitarization, and disposal costs by hundreds of thousands of dollars by transferring excess serviceable conventional ammunition, including small arms ammunition, to federal, state, and local government agencies.

Accordingly, the committee directs the Secretary of the Army to submit an assessment to the Committees on Armed Services of the Senate and the House of Representatives no later than February 1, 2017. The assessment shall include: (1) a review of the requirements for how excess munitions are utilized for operational or

training purposes prior to being classified for demilitarization and any recommendations for how to improve this process to reduce both the stockpile and new procurement costs; (2) options for reducing risk, enhancing efficiency, and achieving cost reductions, such as maximizing the proximity of demilitarization operations to demilitarization asset storage locations in order to minimize cost and risk associated with transportation; and (3) a parallel timeline for how procurement of munitions and the demilitarization of munitions will continue until the stockpile is below 50,000 tons.

The committee further encourages the Secretary to leverage expertise from industry and academia to advance affordable demilitarization technologies.

Department of Defense transportation protective services

The committee notes that as a result of the Government Accountability Office (GAO) review of the policies and procedures used by the Department of Defense (DOD) in the handling of hazardous material shipments, the National Defense Authorization Act for Fiscal Year 2015 directed U.S. Transportation Command (USTRANSCOM) to submit a report that examines the data limitations of the Department of Transportation Federal Motor Carrier Safety Administration's (FMCSA) Safety and Accountability Program and report on what changes, if any, should be made to the process used by DOD to determine hazardous material carrier eligibility and evaluate performance of carriers within the Transportation Protective Service (TPS).

Accordingly, based on the GAO review and USTRANSCOM report, the committee directs the Commander of USTRANSCOM to provide a report to the Congressional Defense and Commerce Committees no later than November 1, 2016. The report should include a review and updates to the existing plan, as required, to ensure that USTRANSCOM has a comprehensive program that evaluates the safety of commercial carriers and their ability to move DOD hazardous TPS cargo. Additionally, the report should include USTRANSCOM's strategy and timeline for developing and implementing ways to incentivize carrier safety performance. Finally, the committee encourages USTRANSCOM continue to coordinate with the Department of Transportation on proven safety technologies for inclusion in future requirements for carriers transporting the most sensitive or extremely dangerous cargo.

Department of Defense weapon system sustainment strategy

The committee notes that one of the Department of Defense's (DOD) most pressing concerns continues to be the readiness of its weapon systems and the cost to sustain readiness. The Department spends billions of dollars each year to sustain its weapon systems. The Weapon Systems Acquisition Reform Act of 2009 directed a Government Accountability Office (GAO) review of the growth in operating and support costs of major weapon systems. The GAO found that the Department did not have key information to manage life-cycle costs. The committee believes that the development of a sustainment strategy that includes goals, performance measures, and key initiatives could help to improve the efficiency and effectiveness of sustaining DOD weapon systems.

Accordingly, the committee directs the Secretary of Defense to submit a report on the strategy for weapon system sustainment to the congressional defense committees in the House and Senate no later than January 2, 2017. The strategy should cover the entire logistics lifecycle from production through battlefield use, retrograde and organic repair or modification, or disposal. The strategy will include at a minimum the following elements: (1) key sustainment principles and their inclusion at every step of the acquisition processes; (2) product support; (3) supply chain integration; (4) asset visibility; (5) data rights; (6) software sustainment; (7) sustainment engineering; (8) private and public maintenance, repair, and overhaul; (9) nuclear sustainment; (10) war reserve material; (11) distribution; and (12) operational contracting.

Department of Defense's use of executive agents

The committee notes that the Department of Defense has various management approaches that it uses to improve efficiency in its programs and activities. For example, the committee is aware that the Secretary of Defense has designated executive agents across the Department to provide defined levels of support for operational missions, or administrative or other designated activities that involve two or more Department components. The committee is also aware that prior work by the Government Accountability Office (GAO) found that the Department had opportunities to improve executive agent management efforts for foreign language support. The committee believes that given the Department's use of executive agents for numerous programs and activities, additional opportunities may exist to gain further efficiencies in areas outside of the GAO's previous review.

Accordingly, the committee directs the Comptroller General of the United States to evaluate the Department's use of executive agents, to include an assessment of the following: (1) A description of the types of programs and activities for which DOD has established executive agents; (2) The Department's use of executive agents to focus its resources in specific areas in order to maximize fragmentation, unnecessary overlap, or duplication; (3) The Department's evaluation of the performance of its executive agents' efforts for effectiveness and efficiency in meeting program needs; (4) Additional opportunities for the Department to gain further efficiencies in executive agent management efforts; (5) Identification of specific statutory, regulatory, practice, resource allocation, or cultural impediments to the most effective and efficient use of executive agents as a management practice by the Department; and (6) Identification of best practices in the use of executive agents.

The committee directs the Comptroller General to brief the Senate Committee on Armed Services not later than March 15, 2017, on preliminary findings of the evaluation with a final report to follow by June 30, 2017.

Development and procurement of combat personal protective equipment for different body types

The committee believes the expanding role of women in combat positions provides an opportunity to improve the personal protective equipment (PPE), organizational clothing, and individual

equipment (OCIE) for both male and female warfighters to ensure the best fit to gain a tactical advantage through increased maneuverability. The committee recognizes the advances made to date regarding weight reduction in PPE and OCIE, and further believes that the Department should continue to seek to take advantage of the best technology available to reduce PPE and OCIE weight for all servicemembers.

The committee notes that the Department has often acquired individual equipment such as boots, helmets, combat clothing, and body armor for soldiers, sailors, airmen, and marines in a piecemeal manner. The committee encourages the services to consider appropriately addressing the unique needs of both male and female service members through a comprehensive acquisition strategy that seeks to improve OCIE and PPE through an integrated combat ensemble designed to meet validated operational requirements.

The committee understands that on June 26, 2015, the Under Secretary of Defense for Acquisition, Logistics, and Technology provided guidance to the services to take immediate steps to ensure that combat equipment is properly designed and fitted for female servicemembers. The committee also understands that the services are conducting anthropometric studies on their male and female servicemembers that will help each service properly outfit and equip their respective servicemembers.

Accordingly, the committee directs the Secretary of Defense, in coordination with the service chiefs, to submit a report no later than February 1, 2017 to the Committees on Armed Services of the Senate and the House of Representatives. The report shall include: (1) an acquisition strategy, by service branch, for the PPE and OCIE needs of both male and female service members; (2) the Department's plan to provide improved PPE and OCIE developed for all service members to meet validated operational requirements; and (3) any plans for budgeting, development, and procurement of female-specific equipment needs, validated through the requirements process, including helmets, clothing, and body armor. The report may be classified, or for official use only, as deemed appropriate by the Secretary, but if classified should include an unclassified executive summary.

Encouraging the use of the Innovative Readiness Training (IRT) program

The committee is aware of the readiness challenges facing the Armed Forces due to the constraints put forth by sequestration. Additionally, the committee is aware of the Innovative Readiness Training (IRT) program, which contributes to military readiness and provides realistic training in a joint environment for National Guard, Reserve, and Active-Duty members, preparing them to serve during a national crisis at home or abroad.

Examples of IRT activities include, but are not limited to, constructing rural roads and airplane runways, small building and warehouse construction in remote areas; transportation of medical supplies, and military readiness training in the areas of engineering, health care and transportation for under-served communities.

The committee understands the IRT program offers complex and challenging training opportunities for domestic and international

crises. The committee is also aware that states that utilize the IRT program include Alabama, Alaska, Arizona, Arkansas, California, Colorado, Florida, Hawaii, Indiana, Kentucky, Louisiana, Maine, Mississippi, Missouri, Montana, Nebraska, New Mexico, New York, North Dakota, Ohio, South Dakota, and Texas.

The committee strongly encourages the Department of Defense to continue to fully utilize IRT programs that provide hands-on and mission-essential training and that are available to active, reserve and National Guard forces.

Energy resiliency metrics

The committee remains interested in the capability of the Department of Defense (DOD) to assign a value to energy resiliency and mission assurance for its installations. The committee believes that having appropriate energy resiliency and mission assurance metrics could enable DOD and installation commanders to document the value of energy security to better inform infrastructure investment decisions. The committee is concerned that the Department and the military services may not currently or consistently evaluate the impact of energy disruptions and outages on its facilities and installations. For example, current methods by which utility disruptions and outages are tracked and evaluated by DOD may not account for costs associated with loss of mission capability. The committee is also concerned that energy resiliency and mission assurance evaluations and planning may vary within each military service as well as across DOD. Additionally, a consistent valuation methodology could encourage industry to develop new business models and third party financing mechanisms to help DOD achieve greater energy resiliency and mission assurance on its installations.

Accordingly, the committee directs the Secretary of Defense to report to the congressional defense committees no later than March 30, 2017 with established metrics to evaluate the costs, risks, and benefits associated with energy resiliency and mission assurance against energy supply disruptions on military facilities and installations. The metrics should take into account financial and operational costs and risks associated with sustained losses of power resulting from natural or man-made disasters or attacks that impact military installations.

Enhanced transparency in Department of Defense fuel rate pricing

The committee is encouraged that in response to concerns raised by the Government Accountability Office (GAO) the Department of Defense (DOD) has adjusted its methodology for determining the fiscal year 2017 fuel rate price by basing it on the Gas and Oil price index included in the Administration's economic assumptions and incorporating relevant data on actual fuel prices prevailing during the most recent fiscal year. The committee notes that the GAO's November 2015 report, however, highlighted the fact that the Department still had not fully documented its process for selecting a methodology for estimating its fuel rate pricing. In order to account for real-time changes in the world-wide fuel market, the committee believes the Department should retain reasonable flexi-

bility in determining and applying an appropriate methodology underlying the estimate of the next fiscal year's fuel rate price.

The committee remains concerned about the quality and transparency of information available to Congressional decision makers and Department fuel customers concerning the methodology selected each year and its application to relevant data used in estimating fuel rate prices for the next fiscal year. A well-documented methodology allows decision makers and other stakeholders to understand and evaluate the Department's budget requests and make informed decisions concerning annual funding levels. The committee notes the Department's budget justification materials for fiscal year 2017 do not specify the process by which the Department evaluated any methodological options for developing its fuel rate pricing.

Therefore, the committee directs the Secretary of Defense to submit detailed guidance to the congressional defense committee no later than February 1, 2017 on how DOD will take steps to develop and implement a process for the annual review and selection and application of an appropriate methodology for estimating fuel rate prices for the next fiscal. The detailed guidance should also include the process for the identification of an appropriate methodology to assess the accuracy of estimated fuel rate prices as compared with actual fuel prices for the most recent fiscal year, and the establishment of a detailed process for the annual development of estimated fuel rates prices for the next fiscal year, to include requiring documentation of the rationale for using one methodology over another for estimating the next fiscal year's fuel rate price, including the limitations and assumptions of underlying data and establishing a timeline for developing annual estimated fuel rate prices for the next fiscal year.

Lastly, the committee will continue to monitor the Department's efforts and may direct further action if the process for determining fuel pricing does not achieve greater transparency.

Examination and recommendations regarding reimbursement process major range test base facilities

The committee notes that major range test base facilities (MRTFBs) operate under the reimbursable research, development, test, and environment model of billing for direct costs of service, which is different than at typical operational training ranges. The committee further notes that the Test Resource Management Center of the Office of the Secretary of Defense recently reported to Congress that it has not identified problems with reimbursement procedures for units training at MRTFBs. The committee remains concerned that a number of optimal and potentially lower cost training opportunities are declined by operational training units due to the difficulty of locating funds to reimburse MRTFBs.

Accordingly, the committee directs the Secretary of Defense to submit a report to the Committees on Armed Services of the Senate and the House of Representatives no later than February 1, 2017. The report shall: (1) examine how the reimbursement process for the MRTFBs relate to operational unit payment procedures and (2) include any recommendations for legislative or administrative action to make it easier for operational units to comply with the

MRTFBs reimbursement process, including any recommendations specific to White Sands Missile Range, Utah Test and Training Range, Yuma Proving Ground, and Aberdeen Test Center.

Expanding the number of younger cyber security professionals on Department of Defense contracts

The committee is concerned that current labor category practices on Department of Defense (DOD) contracts may unnecessarily discriminate against younger cyber security professionals. These workers are often the best and brightest workers in the cyber security field but the committee has been informed that they are finding it increasingly difficult to be included on contractor teams to address DOD cyber security needs. This is because in many cases DOD procurement officials are requiring specific tenure requirements for the contracting workforce and younger workers do not have the years of experience required by these labor category requirements.

While the Department rightly desires to have experienced scientists and engineers working on federal contracts, by not including or funding labor categories for students, interns, co-ops, and recent college graduates in the cyber security field it may be eliminating some of the most promising software developers from being considered for work on a DOD contract. The committee believes that Silicon Valley companies would not make such a mistake. Another possible strategy for the Department to pursue would be to forgo specific labor category requirements and write performance specifications that would allow contractors to bring together the best team that they see fit to address the cyber challenge. To inform the committee on the best path forward to address acquisition policy in these situations, the committee directs the Principal Cyber Advisor to the Secretary of Defense to assess current approaches to accessing the next generation of cyber professionals on DOD contracts and brief the committee on how labor categories are being used to contract for cyber security support, an identification of current best practices for cyber support acquisition, and any recommendations necessary to more adequately address the cyber security contracting workforce.

Expansion of Surface Warfare Officer School basic division officer course

The committee notes the strides that have been made in improving training for new surface warfare officers (SWO). From 2004 until the establishment of the basic division officer course (BDOC) in 2012, newly commissioned SWOs reported to their first ships with little to no training. Once aboard their ships, ensigns completed on-the-job training and computer-based training to earn qualifications.

The committee further notes that in contrast, other Navy unrestricted line communities provided and continue to provide new officers with initial training prior to reporting to their first command to achieve basic skills and proficiency (e.g., submariners attend the submarine officers basic course and nuclear training, aviators attend flight training, and SEALs attend Basic Underwater Demolitions/SEAL training). In 2012, the surface warfare commu-

nity launched the basic division officer course to provide an intensive, 8-week course of instruction designed to provide foundational classroom training to newly reported prospective SWOs. The committee notes that shiphandling training at BDOC is conducted exclusively on simulators.

The committee commends the Navy on establishing SWOs BDOC, but believes more should be done. Yard patrol craft have been used at the U.S. Naval Academy for decades to teach navigation, seamanship, and shiphandling to midshipmen. Similar benefits, specifically tailored to the qualifications that new SWOs must attain, could be gained by relocating yard patrol craft to BDOC locations. These benefits provide fundamental skills in an at-sea training environment, including: shiphandling, navigation, radar operation, bridge resource management, seamanship, and maintenance.

Accordingly, the committee strongly encourages the Secretary of the Navy to consider reactivating and relocating three yard patrol craft from Annapolis, Maryland to the SWO School BDOC in Norfolk, Virginia and three yard patrol craft from Annapolis, Maryland to the BDOC in San Diego, California.

Expeditionary equipment and forward operating bases

The committee notes that the Base Camp Integration Lab (BOIL) at Fort Devens, Massachusetts provides the Army with an operational base camp to integrate and evaluate more effective technologies in power generation, shelter, energy management microgrids, and water reuse, which combine into a more effective forward operating base called the Force Provider Expeditionary (FPE) module. These combined BCIL improvements and FPE modules reduce forward operating base fuel consumption by more than 50 percent. The committee believes that by reducing reliance on energy sources and becoming more efficient, the military services become more agile and effective in combat, which reduces the risk to servicemembers' lives, frees up assets to conduct combat missions rather than provide security for resupply convoys, and ultimately saves taxpayer's money.

The committee recognizes and is very encouraged by the Army's FPE modules, as well as similar efforts by the Marine Corps' Expeditionary Energy Office, which focuses on extending the operational reach of the Marine Air Ground Task Force.

Additionally, the committee recognizes and is very encouraged by the Air Force's Forward Operating Base of the Future located at the Basic Expeditionary Airmen Skills Training (BEAST) site—including Basic Expeditionary Airfield Resources (BEAR). The committee continues to believe that the Department of Defense has a critical requirement to leverage technologies that will enhance combat capability and may deliver energy efficient returns on investment. For example, one retrofitted zone of the BEAST site will reduce the energy footprint by 85 percent. Additionally, the medium shelters procured through the BEAR program reduce heat and air conditioning requirements by at least 35 percent.

The committee understands that the Army has deployed FPE modules to Afghanistan, Iraq, and Africa in support of the Ebola response during Operation United Assistance. The committee is

also encouraged by collaborative efforts that have occurred between the Army FPE and Air Force BEAR to share lessons learned. The committee notes that the Army currently has 232 FPE modules in its inventory, with 21 currently deployed to Iraq, seven in Afghanistan, one in Cameroon, and many others at prepositioned stocks around the globe.

However, the committee is concerned that it appears more effective and efficient base camp technologies are not widely known assets across the military departments.

Accordingly, the committee directs the Secretary of Defense to prepare a report or briefing to the committee no later than February 1, 2017 detailing how the military services can broaden the use of FPE modules, BEAR, and Marine Corps expeditionary energy systems, including any plans to modify unit tables of equipment or programs of record to include FPE modules, BEAR, and Marine Corps expeditionary energy systems.

Flame resistant uniforms

The committee understands that the military services continue to evaluate emerging flame resistant technologies that may have the potential to provide a more cost-effective level of protection to a wider range of service members. The committee also understands that the Army and the Marine Corps have conducted a study to evaluate commercial flame resistant applications that could be more affordable, provide enhanced protective qualities, are more breathable, and are more durable when compared to current flame resistant uniforms.

Accordingly, the committee directs the Secretary of the Army and the Commandant of the Marine Corps to provide an assessment to the Committees on Armed Services of the Senate and the House of Representatives by February 1, 2017 that outlines developmental efforts to date, assesses technology readiness, and describes future efforts to appropriately resource and equip flame resistant protective postures for military personnel. Additionally, the committee strongly encourages both services to review and consider any necessary and appropriate updates to personal protective equipment requirements to include potentially equipping flame resistant protective postures based on the threat and operating environment.

Foreign language training report

The committee notes the importance of foreign language proficiency to ensure military readiness objectives are met by the numerous defense agencies and military services, including the intelligence community. The committee notes that in the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92), the committee directed the Secretary of Defense to submit a report that identifies the capability gaps in advanced foreign language proficiency within the military services and other relevant U.S. federal government agencies that support Department of Defense and military operations. The committee notes that the Department has not met the mandated deadline for this report.

To avoid possibly legislating on this matter without the Department's input, the committee directs the Department to submit the

report as mandated in the National Defense Authorization Act for Fiscal Year 2016 as soon as possible.

Impacts to the defense industrial base from carryover reductions

The committee notes that depot maintenance carryover consists of funded orders that are not completed by the end of the fiscal year, which is frequently the result of the Department of Defense (DOD) receiving appropriations from Congress late in a fiscal year, often with not enough time to execute scheduled work. Cuts to carryover in the operation and maintenance (O&M) accounts have a disproportionately negative impact on production orders, systems, and the defense industrial base workforce. Reductions to carryover in O&M increase depot rates by reducing future workload and ultimately decreases the military services and customer buying power. In an era of unstable budget certainty and frequently late appropriations, having an appropriate amount of carryover on-hand can provide a continuous and effective means of production across fiscal years in the event of a continuing resolution. The committee notes that excessive carryover, as determined by specified service-range limits, should not be construed as appropriate carryover. Rather, appropriate carryover is the amount that falls between the high and low thresholds.

The committee remains very concerned that indiscriminate cuts to carryover directly correlates to the loss of work at DOD depots, shipyards, and air logistics centers, which in turn negatively impacts units and the warfighter.

At a time when readiness cannot afford to take unnecessary cuts, appropriation reductions to carryover in Army O&M within the Consolidated Appropriations Act, 2016 (Public Law 114–113) resulted in a plethora of negative operational impacts to warfighter readiness: (1) the loss of approximately 332,000 direct labor hours prevented the overhaul and repair of two M1 Abrams tanks, 24 Stryker vehicles, 12 Paladin systems, 13 M777A2 medium howitzers, 24 M119A2 towed howitzers, seven M113 vehicles, 13 M88 recovery vehicles, over 2,000 individual and crew served weapons, approximately 3,000 gas masks, eight M9ACE earthmovers, and reduced combat vehicle evaluations prior to induction to depot maintenance at Anniston Army Depot and Pine Bluff Arsenal (for gas masks); (2) the loss of approximately 197,000 direct labor hours prevented the repair and overhaul of two MH–60H Special Operations aircraft, two UH–60 Blackhawk helicopters, and one AH–64D aircraft at Corpus Christi Army Depot; (3) the loss of approximately 164,000 direct labor hours prevented the inspection, repair, and overhaul of 42 systems, to include PATRIOT missile re-certifications and overhaul of PATRIOT sub-systems and 46 programs that support the repair of high mobility artillery rocket system and 13 forklifts at Letterkenny Army Depot; and (4) the loss of approximately 504,000 direct labor hours prevented the inspection, repair, and overhaul of eight AN/TPQ–37 fire finder radar systems, three AN/TRC–70 tropospheric scatter microwave radio terminals, 20 AN/TRC–190 line-of-sight multi-channel radio terminals, 154 AN/ASM–146/147/189/190 Avionics and electronics shop vans, 145 standard integrated command post system shelters, a variety of

communications security equipment supporting strategic and tactical command environments, 12 strategic satellite communications terminals, and field support for the Guardrail system at Tobyhanna Army Depot.

The result of the Consolidated Appropriations Act cuts to Army O&M for carryover meant that equipment that needed repairs to fill unit shortages did not occur for the following Army, Army Reserve, and Army National Guard units in North Carolina, Texas, Mississippi, Indiana, Hawaii, New York, Kentucky, Illinois, Louisiana, Oregon, Minnesota, Pennsylvania, Tennessee, California, Kansas, Georgia, Colorado, Washington, Germany, South Korea, Kuwait, and Southwest Asia.

Additionally, a $24.0 million cut to Navy O&M in the Consolidated Appropriations Act, 2016 for carryover negatively impacted the operational readiness of our Marines by preventing the depot maintenance of: 18 MRAP CAT IIs, 7 M1A1 tanks, 226 .50 caliber machine guns, 2 medium tactical vehicle replacements, 11 scout sniper scopes, 2 mine clearing blades, 7 radios, 2 generators, 1 communication system, and 1 tactical water purification system at a cost of approximately 71,000 direct labor hours at Albany, Georgia and Barstow, California. These reductions also had the expected effect of reducing the depot workforce by 44 positions.

Accordingly, the committee remains strongly against unnecessary carryover cuts to O&M accounts as they directly attribute to reduced workload for the defense industrial base and negatively impact warfighter readiness at a time where readiness should remain Congress' top priority.

Installation security

The committee notes that in the 15 years since 9/11, the services have taken different approaches to vetting and screening individuals that require access to military installations. Despite insider events like those at the Washington Navy Yard and Fort Hood, the Department of Defense (DOD) and the services continue to work internally to develop and deploy credentialing and physical access control systems (PACS), while at the same time often using commercial systems that meet all stated requirements at little or no cost to the Department. In some instances, installations that have not contracted with commercial providers are not scanning credentials at all because internally developed DOD systems are not working properly, are still in development, and are very expensive to deploy by the services and to maintain by base commanders. Today, there are dozens of military installations that are not scanning credentials, leaving these facilities vulnerable to a range of risks. This situation is indefensible especially when the services have years of experience successfully using commercial credentialing and PACS systems. The Army's current plan for its Automated Installation Entry (AIE II+) PACS system would have full deployment at Army garrisons by 2022—21 years post 9/11. By contrast the U.S. Coast Guard has already deployed a commercial enterprise based credentialing and PACS system at 12 stations with each installation taking less than 5 weeks. The committee strongly believes the Secretary of Defense and the services need to update DOD policy and guidance concerning internally developed

credentialing and PACS efforts to ensure that commercial systems are being utilized to the fullest extent possible.

Item unique identification implementation and verification

The committee continues to monitor the Department of Defense's (DOD) strategy for improving asset tracking and in-transit visibility. The committee supports the Department's goal of enhancing asset visibility through item unique identification (IUID), automatic identification technology (AIT), and automatic identification and data capture (AIDC) processes. However, the committee remains concerned with the Department's level of compliance with its own policy. Specifically, the committee remains concerned that DOD continues to lack a plan and timeline to adopt, implement, and verify its revised policy IUID, AIT, and AIDC across the Department and the defense industrial base.

Accordingly, the committee directs the Secretary of Defense to provide a report to the Committees on Armed Services of the Senate and the House of Representatives no later than November 1, 2016 on its new policies, timelines, procedures, staff training, and equipment to ensure contract compliance with the IUID policy for all items that require unique item level traceability at any time in their life cycle, to support counterfeit material risk reduction, and to provide for systematic assessment and accuracy of IUID marks as set forth by DOD Instruction 8320.04.

Joint-Military Service approach to prepositioning

The committee notes that in section 321 of the National Defense Authorization Act for Fiscal Year 2014 (Public Law 113–66), Congress directed the Department of Defense (DOD) to submit to the congressional defense committees a plan for implementing a prepositioning strategic policy that establishes a coordinated joint-military service approach for DOD's prepositioned stock programs, in order to maximize efficiencies across the department, not later than 120 days after the date of the Act—that is, by April 24, 2014. However, DOD has not yet developed the required strategy or implementation plan, as directed; instead, DOD has informed the committees that it would develop Department-wide guidance in the form of a DOD directive for managing DOD's prepositioned stock programs before developing an implementation plan, which it would submit within 120 days after the DOD directive had been approved. However, DOD has not identified a timeline for completing the directive and meeting the requirements of section 321 of the National Defense Authorization Act for Fiscal Year 2014.

As early as May 2011, GAO recommended that DOD develop a department-wide strategy on prepositioned stocks and that it strengthen joint oversight of its prepositioned stock programs to integrate and synchronize at a DOD-wide level the services' prepositioned stock programs, in order to maximize efficiency in managing prepositioning across the department and to reduce potentially unnecessary duplication.

The committee remains concerned about DOD's lack of progress in developing a prepositioned stock strategy and implementation plan.

Accordingly, the committee directs the Secretary of Defense to submit to the congressional defense committees no later than September 1, 2016 a timeline by which it will complete the Department-wide directive and implementation plan, and to include in the timeline the major steps DOD plans to take in implementing the plan, with target dates for accomplishing each of them that can be used to monitor progress and report results.

Modernization of emergency power generation

The committee notes that the emergency power generation systems frequently used in Army National Guard armories can be plagued by unreliable operation in addition to high operation and maintenance costs. The committee notes that the Army has plans and programs in place to address the operational requirements, technological opportunities, and industrial base challenges associated with the strategic goal of a net zero energy, water, and waste policy.

Accordingly, the committee directs the Secretary of Defense to report to the congressional defense committees no later than March 1, 2017 with a comprehensive strategy, including a development and implementation plan, that replaces or improves emergency power generation readiness, reduces system maintenance, and improves fuel flexibility to ensure the sustainability of all Department emergency power generation systems in operation.

National Test and Training Range Improvements

The committee is aware of the critical role our national assets of test and training ranges play in providing full-spectrum readiness critical for all of our Services, and large live training exercises as one of the key components to this training.

National test and training ranges such as the Joint Pacific Alaska Range Complex (JPARC), Pacific Missile Range Facility, Nevada Test and Training Range (NTTR), Utah Test and Training Range (UTTR), China Lake Complex, White Sands Missile Range (WSMR), the National Training Center (NTC), Eglin Gulf Test and Training Range (EGTTR), as well as other United States-based ranges, are critical to hosting realistic service, joint, and coalition large force training exercises such as RED FLAG, RED FLAG–Alaska, Northern Edge, Army Network Integration Evaluation, and other large force training exercises. The committee also recognizes the need for secure and modem range complexes to host coalition and international partner training exercises.

Additionally, the committee recognizes the critical importance of expansive and tactically relevant training ranges that contain high fidelity air-to-air, surface-to-air, surface-to-surface, subsurface, and command, control, communication, computers, intelligence, surveillance, reconnaissance, and cyber assets to simulate anticipated threat environments for the coming decades.

Therefore, the committee directs the Secretary of Defense, in coordination with the Service Secretaries, to develop a strategic plan for identifying requirements and priorities, resourcing for national test and training range infrastructure improvements and addressing encroachment mitigation. The Committee directs the Secretary to provide both a written plan and briefing to the congressional de-

fense committees no later than 180 days following the enactment of this Act.

New Hampshire water contamination

As the committee noted in the National Defense Authorization Act for Fiscal Year (FY) 2016 Report (114–29), the Air Force in coordination with the Environmental Protection Agency (EPA), the New Hampshire Department of Environmental Services (NHDES), and the City of Portsmouth—discovered the presence of perfluorochemicals (PFCs) in the Haven Well in Portsmouth, New Hampshire. On August 3, 2015, the EPA issued a final order directing the Air Force to clean up the contamination at the Haven Well. According to the order, the Air Force has caused or contributed to the presence of the chemicals in the well in Portsmouth due to the Air Force's use of fire-fighting foam at the former Pease Air Force Base.

Research has associated exposure to these chemicals to adverse health effects including but not limited to increased cholesterol, increased blood pressure, liver damage and possibly cancer. Portsmouth residents who believe they were at risk of exposure have requested tests to check their blood serum levels of PFCs.

The PFC contamination detected at the Haven Well has also been detected at the Harrison and Smith wells. The Air Force has committed to using the best available technology to treat the water at the wells and return it to safe drinking water levels.

While unrelated to the contamination at Pease, the committee notes that an increasing number of communities across New Hampshire have reportedly identified the presence of perfluorooctanoic acid (PFOA) and that potential health effects of using water contaminated by PFOA remain unknown. According to reports, levels of PFOA have been detected in the public and private water supplies in the communities of Merrimack, Litchfield, Bedford, Londonderry, and Dover. Public and private wells in these communities are being tested by the NHDES. The EPA has identified PFOA as an "emerging contaminant" and in 2009, the Agency issued a provisional health advisory for drinking water of 400 ppt for PFOA.

The committee believes the Air Force should work collaboratively with NHDES and EPA to share lessons learned from Haven Well. No later than September 1, 2016, the Air Force should provide the committee with: (1) an update on the Haven well cleanup; (2) an update on the Air Force's efforts to identify and notify all affected or impacted by the contamination; (3) an assessment of the Air Force's role, if any, in the new contaminations; and (4) a summary of the Air Force's support, where appropriate, for NHDES and the EPA with respect to the latest contaminations.

Objective training readiness reporting

The committee is aware that some of the military services have efforts underway to establish objective and uniform standards to measure the training readiness of military forces. The committee notes, for example, that the Army is standardizing lists of mission essential tasks for like units below the brigade level and developing objective evaluation criteria that commanders will use to evaluate

unit training against these critical tasks. The committee further notes that according to Army senior leadership, these initiatives will facilitate accurate and uniform readiness evaluations and enable the service to make risk-informed resourcing and force allocation decisions.

The committee notes that these initiatives to more objectively evaluate training readiness may continue the practice of giving commanders the flexibility to subjectively upgrade or downgrade the overall readiness of their units in certain circumstances based on the commander's judgement in light of a mission analysis, among other factors. While recognizing that commanders may require some degree of flexibility in assessing their units' training readiness based on subjective factors, the committee stresses the importance of accurate readiness reporting and encourages all of the military services to define objective and uniform standards to assess training readiness.

Accordingly, the committee further encourages the military services to limit the use of subjective readiness upgrades, which could mask the department's progress transitioning from a force trained to conduct counterinsurgency operations to one trained for a broader range of military operations. The committee will continue to monitor the military services' development of objective and uniform standards to evaluate training readiness and may direct further action, including limiting the use of subjective upgrades, if these standards are not fully utilized in readiness reporting.

Physical security of sensitive conventional ammunition items at Department of Defense and contractor locations

The committee notes that Security Risk Category I (SRCI) ammunition items, including certain man-portable missiles and rockets, are extremely lethal and a potential threat if they were to be used by unauthorized individuals or groups. To help protect these items and minimize the risk of loss or theft, it is critical that the Department of Defense (DOD) have strong physical security measures at DOD and contractor locations.

The committee notes that the Government Accountability Office's February 2015 report on SRCI ammunition items found that enhanced policy and procedures are needed to improve management of sensitive conventional ammunition, specifically the timeliness, completeness, and accuracy of information to maintain full accountability and visibility of SRCI ammunition items.

Accordingly, the committee directs the Comptroller General of the United States to evaluate the extent to which: (1) DOD and the military services, in accordance with policies and procedures, have established and maintained physical security measures at DOD and contractor locations, and (2) these identified physical security measures differ between selected DOD depots and retail locations, as well as at selected contractor locations.

The committee further directs the Comptroller General to brief the Committees on Armed Services of the Senate and the House of Representatives no later than March 30, 2017, on preliminary findings of the Comptroller General's evaluation with a report to follow no later than June 1, 2017.

Public shipyard funding and capital investment to support defense operations

The committee notes that ongoing operational demands for Navy ships remain high and continue to increase, with some key current demands going unmet. The committee recognizes that the Navy is working to maximize the operational availability of the existing fleet and rebuild its warfighting readiness after more than a decade of continued deployments. The Navy has identified shipyard performance—namely the ability to complete maintenance availabilities on time—as one of the key risks to its plans to maximize the availability of the fleet.

The committee notes that any delay in completing a maintenance availability results in lost operational days for Navy ships, which in turn compresses time available for training and reduces ships' operational availability to combatant commanders. Maintenance delays also can lead to unsustainable risk mitigation strategies such as deferring maintenance and extending deployments which can jeopardize reaching ships' service lives and retention of the force.

In the late 1990s, the Navy converted its shipyards from financing under the Navy Working Capital Fund to funding through direct appropriations, referred to as "mission funding". In 2010, the Government Accountability Office found that the Navy had experienced unfunded shore readiness that contributed to growth in the backlog of capital investments at the shipyards and noted that the average age of facilities and drydocks was 61 and 81 years old, respectively. The ability of the shipyards to meet their mission—keeping the fleet operational—depends on maintaining the shipyards' infrastructure and equipment, and to do this the Navy and the committee need an accurate picture of whether the Navy has the means to accomplish this so the committee can best exercise oversight and make knowledgeable funding decisions.

Accordingly, the committee directs the Comptroller General of the United States to evaluate: (1) the impact, if any, the change from working capital funding to mission funding has had on shipyard capital investment and performance and (2) the extent, if any, the Navy's shipyard planning has addressed its restoration and modernization needs to support operational readiness. The Comptroller General may also include other related matters as deemed appropriate.

The committee further directs the Comptroller General to brief the Committees on Armed Services of the Senate and the House of Representatives no later than March 30, 2017, on preliminary findings of the Comptroller General's evaluation with a report to follow by May 15, 2017.

Rebuilding readiness

The committee notes that due to the consistent high pace of operations coupled with significant downsizing of some of the military services, the past decade has witnessed a disturbing decline in readiness. The Department of Defense (DOD) has stated that rebuilding readiness is one of its overarching priorities and submitted to Congress plans for readiness recovery last year. However, preliminary work from the Government Accountability Office evalu-

ating DOD's efforts to rebuild readiness shows that DOD lacks comprehensive readiness goals or a strategy for achieving those goals.

Therefore, the committee has grown increasingly concerned about the state of military readiness and whether DOD has a viable plan for rebuilding it. To inform its oversight, the committee directs DOD to submit a detailed plan to the congressional defense committees for rebuilding readiness by September 30, 2016. DOD's plan should, at a minimum, include: comprehensive readiness goals and a strategy for achieving the goals; metrics for measuring progress at specific milestones; identification of external factors that may impact recovery plans and potential mitigations; and plans for Department-level oversight of service readiness recovery plans including methods for evaluating the effectiveness of readiness recovery efforts. The committee further directs the Comptroller General of the United States to evaluate DOD's plan for rebuilding readiness and provide a briefing to the Committees on Armed Services by February 1, 2017 on any preliminary findings with a report to the congressional defense committees to follow no later than May 1, 2017.

In evaluating DOD's readiness recovery plan, the Comptroller General should consider the extent to which DOD's plan addresses the root causes of degraded readiness; and he may, at his discretion and in consultation with the committee, provide additional reports that address these root cause issues in more detail. Specifically, he should consider doing a detailed evaluation of different options for approaching readiness and the consequences of each option. In the past, DOD has varied its approach to the way it collects and reports readiness—applying uniform policies and practices across DOD in some cases, while providing the military services and combatant commands wide latitude and flexibility in other cases.

Additionally, DOD has varied: the way it applied plans and scenarios to determine force structure and readiness requirements and the way it has managed personnel tempo in mobilizing and deploying its forces. The different approaches to these, and other, areas can directly affect: readiness requirements, the levels of readiness that are reported, the resultant readiness gaps that need to be filled, and ultimately the funding requirements for the weapons systems, maintenance, personnel, and training that are needed to rebuild readiness.

Report on equipment purchased under sole source contracts

The committee notes that it is important for the Department of Defense (DOD) to utilize competition when procuring services and equipment. The committee further notes that increased competition provides DOD the opportunity to obtain lower prices, better technology, and the ability to review the marketplace should there be a need for multiple sources. Finally, the committee notes the dangers of utilizing sole source contracts when due diligence was not done to assess alternatives in the marketplace.

The committee is concerned that too often DOD has used sole source contracts thus limiting competition from potential suppliers.

Accordingly, the committee directs the Secretary of Defense to submit a report to the Committees on Armed Services of the Senate

and the House of Representatives no later than March 1, 2017. The report should include a list of each contract awarded by the DOD during fiscal years 2011 through 2015 using procedures other than competitive procedures or cases where solicitations resulted in only one responsive bidder for the procurement of equipment, weapons, weapon systems, components, subcomponents, or end-items with a contract value equal to or greater than $3.0 million. The report shall include for each product listed: (1) an identification of the items purchased under the contract; (2) the rationale for using an exception or waiver to award the contracts using procedures other than competitive procedures; and (3) a list of potential alternative manufacturing sources from the public and private sector that could be developed to establish competition for those items.

Report on M240 Sustainment and the small arms industrial base

The committee appreciates the recent report regarding sustainment of the industrial base for the M240. The committee, however has concerns that the industry was not consulted in the preparation of the sustainment plan.

Accordingly, the committee directs the Assistant Secretary of the Army for Acquisition, Logistics, and Technology to provide a report to the Committees on Armed Services of the Senate and House of Representatives no later than September 30, 2016. With input from industry, the report should include: (1) the Army's sustainment plan for the M240 to include an assessment of the necessity of establishing an M240 recapitalization program. If a recapitalization plan is necessary, the timeline and strategy for establishing such a program should be included; and (2) the Army's plans to ensure the health of the domestic small arms industrial base, including both original and spare parts manufacturers.

Report on non-combat training requirements for Army, Navy, Air Force, and Marine Corps servicemembers

The committee notes the important training servicemembers participate in for both combat and non-combat activities. The committee believes that both types of training are important to develop and maintain not only a lethal, fighting force but also a responsible and professional one. The committee is concerned, however, that at times some non-combat training may be duplicative and take time away from what could be used for critical combat training.

Accordingly, the committee directs the Secretary of Defense, in consultation with the service secretaries, to submit a report to the Committees on Armed Services of the Senate and the House of Representatives no later than November 1, 2016. The report shall include non-combat related training requirements for all components with: 1) A list and description of all non-combat training requirements, divided by each service, to include designation for training that must remain current or is required for pre-deployment; 2) A description of the method required for accomplishing the training; 3) A description of the average amount of time required to complete the training, including the time spent enforcing the training requirements and the required time spent on instructor training, if required; 4) The number of times the training is re-

quired and the duration of time that the training is valid; 5) A description of the applicability of the individual training to the servicemember's primary job performance; 6) A description of the total amount of time a servicemember is required to complete the non-combat training requirements; and 7) An identification and description of any negative impact to primary job performance that is a result of the non-combat training requirements.

The report shall include recommendations for any non-combat training that the Secretary of Defense believes should be eliminated. The report shall be submitted in unclassified form, but may include a classified annex if required.

Report on reset and sustainment of material handling equipment

The committee notes the continued efforts of the military logistics community to provide vital resources for the warfighter. However, the committee is concerned by the lack of a comprehensive and appropriately resourced sustainment strategy for Material Handling Equipment (MHE) and RT240 Rough Terrain Container Handlers (RTCH), despite the Army's inventory of roughly 1 million International Standards Organization, or ISO, containers in Southwest Asia.

The committee believes that the incorporation of state-of-the-art systems that enhance logistical through-put and provide greater item unique identification and in-transit visibility of assets should be considered with the goal of increasing efficiency and reducing fuel requirements. The committee is concerned that if left without an overarching strategy, expeditionary logistics equipment like the RTCH will continue to deteriorate with age.

Accordingly, the committee directs the Secretary of the Army to provide an assessment no later than February 1, 2017. This assessment should include: (1) an inventory of all RTCH (RT240 and DV43), to include the number over 10 years old, and numbers non-mission capable; (2) the readiness rates of these systems and any known block obsolescence issues; (3) any divestment plans of obsolete RTCH equipment within the future years defense program; (4) a comprehensive and appropriately resourced sustainment strategy, beginning in fiscal year 2017, to prevent future capability gaps.

Requirements model for restoration and modernization funds at Department of Defense installations

The committee remains concerned that fiscal constraints as a result of the Budget Control Act of 2011 have unnecessarily hampered vital investments in restoration and modernization (R&M) accounts. Deferred work and existing backlogs of R&M exacerbate the conditions of our installations, which increases risk to the Armed Forces' ability to accomplish their missions, meet quality of life standards, and compounds long-term costs.

Accordingly, the committees directs the Secretary of Defense to develop a model of requirements for R&M funds and provide the congressional defense committees with an initial model to be delivered in conjunction with the budget submission for fiscal year 2018. The R&M model should address both vertical and horizontal infra-

structure and include age of facilities, miles of roads, miles of utilities, and acreage in addition to any other appropriate considerations determined by the Secretary. The R&M model should not rely on prior year funding levels to estimate future requirements. Additionally, the Secretary should pilot the use of the initial model in fiscal years 2017 and 2018, request feedback from installations in each of the services on the accuracy and sufficiency of the model to reflect the diverse needs of all installations, and refine the R&M model as necessary. Lastly, once the R&M model is complete, the Secretary shall submit a written plan to the congressional defense committees detailing how the Department will use the model for funding R&M requirements. The plan should include how each military service will resource the personnel for carrying out the modeled requirements including, but not limited to, contract officer staffing to ensure timely use of the funding provided.

Resiliency through improved utilization of CHP and WHP

The committee strongly supports the U.S. Army's Energy Security & Sustainability strategy and the use of heat recovery technologies, such as combined heat and power (CHP) and waste heat to power (WHP), to improve its current and future capabilities and enhance mission effectiveness. CHP and WHP technologies help make critical infrastructure more resilient, and—when interconnected with energy storage systems or onsite renewable generation assets, through micro-grid and smart grid technologies—can provide standby power during grid outages.

To reduce risks posed by a vulnerable energy grid, and in accordance with Executive Orders 13624 ("Accelerating Investment in Industrial Energy Efficiency") and 13693 ("Planning for Federal Sustainability in the Next Decade"), the committee encourages the Department of Defense (DOD) to expand deployment of CHP and WHP on military property. The committee also directs the DOD to convene a forum to identify ways to encourage further use of these technologies on military bases to better enhance mission assurance and to leverage the use of existing and new renewable energy generation investments.

Review of Navy Coastal Riverine Forces

The committee notes that the Navy's Coastal Riverine Force operates in harbors, rivers, bays, across the littorals and ashore, conducting maritime security operations ranging from defending high value assets and critical maritime infrastructure to conducting offensive combat operations. The committee understands that in 2012, the Navy merged Riverine Forces and Maritime Expeditionary Security Forces to form the Coastal Riverine Force. The committee further understands that the Coastal Riverine Force is organized into 2 Groups with 7 Squadrons—3 homeported on the west coast and 4 homeported on the east coast—operating more than 100 boats, from 25-foot patrol boats to the new 85-foot Mark VI patrol boat. Coastal Riverine Force units have deployed worldwide in recent years to Korea, Saudi Arabia, Bahrain, and Egypt among other locations.

The committee notes that in January 2016, U.S. sailors aboard two U.S. riverine patrol craft were detained by Iran's Revolutionary

Guard. Footage of the incident aired widely in the media. According to news reports, a subsequent Navy investigation found that several factors may have contributed to the vessels' capture including mechanical problems with one boat's diesel engines and satellite communications gear, and parts shortages, among others. The committee is interested in understanding the factors that contributed to the detention of these sailors, in particular the material condition of the boats and equipment, and steps taken to prevent such incidents in the future.

Accordingly, the committee directs the Comptroller General of the United States to undertake a comprehensive review of the readiness of the Navy's coastal riverine force and to provide a briefing on preliminary observations by February 1, 2017 with a report to follow to the Committees on Armed Services of the Senate and the House of Representatives to address the following elements: (1) what are the current and historical readiness status of the Navy's coastal riverine units including any trends in reported readiness in personnel, material condition of vessels, maintenance, and training and any major areas of deficiencies?; (2) what impact, if any, do the above identified deficiencies have on maintaining needed warfighting capabilities?; (3) to what extent have actions been taken by the Navy to address the above identified deficiencies including the development of any further plans and identification of resource needs to address them?; and (4) any other related matters as deemed appropriate by the Comptroller General.

Software-based foreign language training and sustainment

The committee understands that foreign language training, including the sustainment of foreign language competencies, is an important component of training for many service members and Department of Defense (DOD) civilians.

The committee expects DOD to continue to identify best practices, including for United States Special Operations Command and defense-related intelligence activities, that exploit emerging technology to more effectively integrate software-based training with human instruction to deliver efficient language training and sustainment.

As foreign language training best practices are identified, the committee encourages DOD to explore opportunities to make software-based foreign language training and sustainment available to service members and DOD civilians at the lowest possible overall cost to minimize capability gaps.

Study on power storage capacity requirement

The committee directs the Secretary of Defense to report to the congressional defense committees no later than March 30, 2017 on the costs and benefits associated with requiring 25 percent of National Guard and Reserve facilities to have at least a 21-day onsite power storage capacity to assist with providing support to civil authorities in case of manmade or natural disasters.

Synthetic and simulation training to enhance small arms weapons skills and combat readiness

The committee recognizes that synthetic training systems can enhance small arms weapons skills training effectiveness for U.S. military personnel, while reducing direct and indirect training time and costs. The committee is aware that by leveraging software capabilities, these systems can demonstrate that collection and analysis of trainee performance data can accelerate warfighter training results, while providing resource programmers the ability to assess program fidelity and ensure effective test and evaluation metrics are implemented to achieve successful, cost-wise weapons training results, including live fire proficiency.

For example, the committee is aware that synthetic small arms training systems utilized by Navy commands, including Navy Expeditionary Combat Command and Naval Special Warfare Command, and at U.S. Army and joint training sites, including the Joint Multi-National Training Center under U.S. Army (Europe), can leverage data collection and metric analysis to improve training efficiency and ensure training effectiveness transfers to live fire qualifications and skills sustainment. This capability could allow commanders to maintain and track individual and squad-level training records, provide trend analysis and forecast models to reduce training time and accurately determine live fire transfer readiness, enable customization to train to multiple proficiency levels and hone training as threats evolve, and demonstrate clear and repeated live fire transfer proficiency.

As investments are made in small arms simulator training systems to meet warfighter operational objectives and force protection requirements, the committee strongly encourages all military departments, schools, and commands to appropriately adopt more advanced, innovative small arms weapons and crew served training systems, such as those described above, that are capable of demonstrating consistent and successful live fire transfer and combat readiness in cost efficient and time effective manner.

Additionally, the committee supports the Department of Defense's continued expansion of the full range of simulation training as a cost-effective means by which military units can improve tactical decision-making skills through training in realistic scenarios otherwise only found in combat operations. The committee strongly encourages the Department to continue to ensure the most efficient and effective training programs are available through a combination of both government-owned and operated simulators, as well as simulation support from a dedicated commercial activity capable of providing appropriate hardware and software updates.

Third party financed energy projects

Department of Defense (DOD) installations serve as platforms from which military forces employ and are critical to joint military operations around the world. The committee continues to be strongly supportive of the DOD's efforts to enter into third party financed power purchase agreements (PPAs), which improve combat capability and provide energy resiliency for the military services along with the appropriate stewardship of taxpayer funding. Projects developed using PPAs and third party financing have little to no up-

front cost to DOD, and the committee supports the adage that any project that saves money is money that can otherwise be spent on training and readiness.

The committee recognizes and strongly encourages DOD to pursue PPAs that provide electricity to installations at below market rates for 25–30 years with the capability for islanded operations, ensuring the appropriate inverter functionality is included in the PPA agreement. When possible, the committee also encourages the inclusion of micro-grids for critical assets that enable a more flexible allocation of power on the installation which can also improve resiliency and mission assurance.

For example, the committee notes that in Georgia, the Marine Corps is using a third party financed energy savings performance contract (ESPC) to generate enough renewable Electricity on base, through a biomass steam turbine generator, to support all of Marine Corps Logistics Base Albany's electrical needs. Additionally, the ESPC will include other energy conservation measures such as light emitting diode lighting, boiler retrofits, and a smart grid to allow for automated load shedding, fault location and isolation, and utility islanding in the event of a grid outage at Albany. The committee recognizes and is supportive of the efforts at Marine Corps Logistics Base Albany to maximize the use of resilient energy to achieve net-zero installation status and greater energy security in their mission to support Marine Corps units and the defense industrial base.

Additionally, the committee recognizes and is strongly supportive of the Air Force's Office of Energy Assurance and its plans to design cost-competitive energy projects to enhance resiliency and notably, has successfully reduced energy intensity across installations by over 24 percent since 2013, despite utility prices increasing 29 percent since 2003. The committee also recognizes and is supportive of the micro-grid deployed to the Hawaii Air National Guard Wing to increase energy security for its F–22 alert aircraft. Additionally, the Air Force is developing a 19 megawatt photovoltaic array at Nellis Air Force Base, in addition to a 14 megawatt array that started producing power in 2007. The project enables Nellis with a substation and feeder line that insulates the base and allows continuous operations should the local power grid go down. Lastly, natural gas peaking plants at Tinker Air Force Base and Warner Robins Air Force Base can be islanded and provide the base with energy security during grid outages.

For the Army, the committee is strongly encouraged by and supportive of the Army's largest single renewable energy project to date at Fort Hood, Texas. The project is expected to save the Army at least $168.0 million over the course of the contract, which is a solar and wind project that will have a capacity of 65 megawatts and will be micro-grid capable to enhance energy security. Other Army projects include a large-scale renewable solar projects at Redstone Arsenal, Anniston Army Depot, and Fort Rucker which represent an 18-fold increase in total solar capacity installed in the state of Alabama. These projects will purchase energy at or below the costs of conventional energy. Additionally, an Army project in Georgia, totaling over 90 megawatts led to a six-fold increase in photovoltaic capacity for the state.

Historically, DOD had frequently taken an approach to improving grid resiliency that entailed placing hundreds of backup diesel generators at the point of load. Instead, the committee strongly encourages DOD to pursue alternative and renewable energy projects which have capability, cost, and reliability benefits that provide additional resiliency and flexibility to route power during grid outages.

Accordingly, the committee continues to strongly encourage DOD to continue to use PPAs and other authorities to take full advantage of private sector financing for renewable energy projects that improve energy resiliency, increase mission assurance, and offer cost savings.

Third party financed energy savings performance contracts

The committee strongly supports and encourages the Department of Defense's (DOD) continued approach of leveraging third party financing mechanisms for large-scale energy projects. The committee has also observed the positive benefits of DOD increasing use of private sector financing and expertise for energy projects that support DOD infrastructure.

In particular, the committee has been encouraged by the Department's continued use of Energy Savings Performance Contracts (ESPCs) which guarantee energy savings to pay for the investment in energy-related equipment.

The committee also recognizes the continued importance of appropriate oversight with respect to third-party financed energy projects. Accordingly, the committee directs the Comptroller General of the United States to report to the congressional defense committees no later than March 30, 2017 with a review of: (1) The extent of the deferred maintenance backlog across DOD buildings and facilities, as well as the quality of life and financial impact of such continued deferral and backlog; (2) The extent to which, if any, the DOD budget is sufficient to address the deferred installation maintenance backlog; (3) The extent to which, if any, DOD would have otherwise been able to address large-scale energy projects without the availability of third-party financing mechanisms; and (4) The total amount of investment and costs DOD has avoided since 2009 by leveraging third-party financing mechanisms compared to if DOD used direct appropriations to acquire large-scale renewable energy projects.

Warfighter technology

The committee is aware of the work being done by the Warfighter Technology directorate in improving the protection, survivability, mobility and combat effectiveness of our Nation's Army. Key to these efforts is continued research in areas of advanced ballistic polymers for body armor, fibers to make uniforms more fire resistant, lightweight structures for advanced shelters are all examples of tangible benefits to the Soldier.

The Committee notes that the FY17 President's Budget decreased funding for the Warfighter Technology Directorate by roughly $2 million as compared to FY16 levels. In order to ensure the Army remains at the cutting edge of technology in these critical

areas, the Committee urges the Army to ensure that proper resources are available for this research.

The Committee is aware there is a clear need and future requirements to broaden this effort to the development of lightweight multifunctional materials and systems integration in the areas of (1) soldier protection, and (2) expeditionary basing, collective protection, and sustainment.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

Subtitle A—Active Personnel

End strengths for active forces (sec. 401)

The committee recommends a provision that would authorize active-duty end strengths for fiscal year 2017, as shown below:

Service	FY 2016 Authorized	FY 2017		Change from	
		Request	Recommendation	FY 2017 Request	FY 2016 Authorized
Army	475,000	460,000	460,000	0	−15,000
Navy	329,200	322,900	322,900	0	−6,300
Marine Corps	184,000	182,000	182,000	0	−2,000
Air Force	320,715	317,000	317,000	0	−3,715
DOD Total	1,308,915	1,281,900	1,281,900	0	−27,015

Subtitle B—Reserve Forces

End strengths for Selected Reserve (sec. 411)

The committee recommends a provision that would authorize Selected Reserve end strengths for fiscal year 2017, as shown below:

Service	FY 2016 Authorized	FY 2017		Change from	
		Request	Recommendation	FY 2017 Request	FY 2016 Authorized
Army National Guard	342,000	335,000	335,000	0	−7,000
Army Reserve	198,000	195,000	195,000	0	−3,000
Navy Reserve	57,400	58,000	58,000	0	+600
Marine Corps Reserve	38,900	38,500	38,500	0	−400
Air National Guard	105,500	105,700	105,700	0	+200
Air Force Reserve	69,200	69,000	69,000	0	−200
DOD Total	811,000	801,200	801,200	0	−9,800
Coast Guard Reserve	7,000	7,000	7,000	0	0

End strengths for Reserves on active duty in support of the reserves (sec. 412)

The committee recommends a provision that would authorize full-time support end strengths for fiscal year 2017, as shown below:

Service	FY 2016 Authorized	FY 2017		Change from	
		Request	Recommendation	FY 2017 Request	FY 2016 Authorized
Army National Guard	30,770	30,155	30,155	0	−615
Army Reserve	16,261	16,261	16,261	0	0
Navy Reserve	9,934	9,955	9,955	0	+21

Service	FY 2016 Authorized	FY 2017		Change from	
		Request	Recommendation	FY 2017 Request	FY 2016 Authorized
Marine Corps Reserve	2,260	2,261	2,261	0	+1
Air National Guard	14,748	14,764	14,764	0	+16
Air Force Reserve	3,032	2,955	2,955	0	−77
DOD Total	77,005	76,351	76,351	0	−654

End strengths for military technicians (dual status) (sec. 413)

The committee recommends a provision that would authorize military technicians (dual status) for the reserve components of the Army and Air Force for fiscal year 2017, as shown below:

Service	FY 2016 Authorized	FY 2017		Change from	
		Request	Recommendation	FY 2017 Request	FY 2016 Authorized
Army National Guard	26,099	25,507	25,507	0	−592
Army Reserve	7,395	7,570	7,570	0	+175
Air National Guard	22,104	22,103	22,103	0	−1
Air Force Reserve	9,814	10,061	10,061	0	+247
DOD Total	65,412	65,241	65,241	0	−171

The provision also authorizes variance from the end strengths described above in accordance with the variance authorities found in subsections (f)(1) and (g)(1)(B) of section 115 of title 10, United States Code.

Fiscal year 2017 limitation on number of non-dual status technicians (sec. 414)

The committee recommends a provision that would establish limits on the number of non-dual status technicians who may be employed in the Department of Defense as of September 30, 2017, as shown below:

Service	FY 2016 Authorized	FY 2017		Change from	
		Request	Recommendation	FY 2017 Request	FY 2016 Authorized
Army National Guard	1,600	1,600	1,600	0	0
Air National Guard	350	350	350	0	0
Army Reserve	595	420	420	0	−175
Air Force Reserve	90	90	90	0	0
DOD Total	2,635	2,460	2,460	0	−175

Maximum number of reserve personnel authorized to be on active duty for operational support (sec. 415)

The committee recommends a provision that would establish limits on the number of reserve personnel authorized to be on active duty for operational support under section 115(b) of title 10, United States Code, as of September 30, 2017, as shown below:

Service	FY 2016 Authorized	FY 2017		Change from	
		Request	Recommendation	FY 2017 Request	FY 2016 Authorized
Army National Guard	17,000	17,000	17,000	0	0
Army Reserve	13,000	13,000	13,000	0	0
Navy Reserve	6,200	6,200	6,200	0	0
Marine Corps Reserve	3,000	3,000	3,000	0	0
Air National Guard	16,000	16,000	16,000	0	0
Air Force Reserve	14,000	14,000	14,000	0	0
DOD Total	69,200	69,200	69,200	0	0

Technical corrections to annual authorization for personnel strengths (sec. 416)

The committee recommends a provision that would make a technical correction to section 115 of title 10, United States Code.

Subtitle C—Authorization of Appropriations

Military personnel (sec. 421)

The committee recommends a provision that would authorize appropriations for military personnel at the levels identified in section 4401 of division D of this Act.

Budget Items

Military personnel funding changes

The amount authorized to be appropriated for military personnel programs include the following changes from the budget request:

[Changes in millions of dollars]

Military Personnel Underexecution	−880.5
Rejection of Department of Defense Budgeted Retired Reforms	−400.0
Rejection of Air Force Pilot Bonus Increase for All Platforms	−2.5
Defense Officer Personnel Management Act Reforms	+100.0
Foreign currency fluctuation adjustment	−0.73
Total	−1,183.73

The committee recommends a total reduction in the Military Personnel (MILPERS) appropriation of $1183.73 million. This amount includes: (1) A reduction of $880.45 million to reflect the Government Accountability Office's most recent assessment of the average annual MILPERS underexecution; (2) A reduction of $400 million to account for the rejection of a Department of Defense legislative proposal to change the vesting date for Thrift Savings Plan (TSP) contributions from two years of service to five and other matters; (3) A reduction of $2.5 million for the rejection of an Air Force proposal to increase the maximum aviation continuation bonus from $25,000 from $35,000 for all platforms; (4) An increase of $100 million to support reforms to the Defense Officer Personnel Management Act; (5) An adjustment of $0.73 million to reflect the foreign currency fluctuation.

TITLE V—MILITARY PERSONNEL POLICY

Subtitle A—Officer Personnel Policy

Reform of distribution and authorized strength of general and flag officers (sec. 501)

The committee recommends a provision that would add a new section 525a to title 10, United States Code, to establish the authorized distribution of general and flag officers for the Army, Navy, Marine Corps and Air Force, effective December 31, 2017. The provision would require a 25 percent reduction in the number of general and flag officers in the military departments. The provision would also sunset the authorized distribution of general and flag officers in section 525 of title 10, after December 31, 2017.

The provision would add a new section 526a, to title 10, United States Code, to limit the number of general and flag officers on Active Duty in the military departments and to exclude from those limits the specified number of general and flag officers serving in joint duty assignments. The provision would require a 25 percent reduction in the number of general and flag officers in the military departments and the joint pool. The provision would also sunset the authorized distribution of general and flag officers in section 526 of title 10, after December 31, 2017.

The provision would add a new section 12004a, to title 10, United States Code, to establish the authorized distribution of general and flag officers in an active status in the reserve component, effective December 31, 2017. The provision would require a 25 percent reduction in the number of general and flag officers in active status in the reserve component, including general officers of the National Guard of the States and territories and general officers serving in the National Guard Bureau, but excluding officers serving as adjutants general or assistant adjutants general of a state. The provision would also sunset the authorized distribution of general and flag officers in section 12004 of title 10, after December 31, 2017.

Repeal of statutory specification of general or flag officer grade for various positions in the Armed Forces (sec. 502)

The committee recommends a provision that would amend or repeal various statutory specifications in title 10, United States Code, to remove the requirement that an officer serving must hold a specified general or flag officer grade for certain positions in the Armed Forces. The Committee determined that in order to effectively manage the reduction in the number of general and flag officers prescribed elsewhere in this Act, that the Secretary of Defense must be given the flexibility to assign appropriate officer grades to posi-

tions. The provision would not prohibit the position from being filled by an officer with the same, or a higher, or lower grade than the law currently requires.

Temporary suspension of officer grade strength tables (sec. 503)

The committee recommends a provision that would amend sections 523(a) and 12011(a) of title 10, United States Code, to remove the limitations on the total number of commissioned officers authorized to serve on Active Duty or on full-time reserve component duty in the pay grades of O–4 through O–6 as of the end of the fiscal year for fiscal years 2017 through 2021. The committee determined that providing relief from statutory caps on the numbers of officers of the active and reserve components serving in pay grades from O–4 to O–6, for a 5-year trial period, would allow the secretaries of the military departments to adjust the shape of their officer corps to affect talent management-based promotion systems and more quickly adapt to changing war fighting requirements and available talent supply.

The committee directs the Secretary of Defense to submit a report to the Committees on Armed Services of the Senate and the House of Representatives, describing the use of this authority, the specific categories of adjustments in control grades and the number and percentages of such adjustments, and an assessment of the impact of the authority as implemented on the desired officer grade composition of the military departments. The report shall specifically address the use of this authority for military intelligence officers, foreign area specialists, judge advocates with a military justice skill identifier, and officers with expertise in cyber matters. The report will reflect the officer control grade composition on the last day of the fiscal year, and shall be submitted annually not later than October 31.

The committee recognizes the value of flexibility in personnel authorities, yet remains concerned that the authority under this section must not be used to promote "grade creep" that bloats senior officer ranks.

Enhanced authority for service credit for experience or advanced education upon original appointment as a commissioned officer (sec. 504)

The committee recommends a provision that would amend section 533 of title 10, United States Code, to authorize service secretaries to credit an applicant for an original appointment in a commissioned grade with an amount of constructive credit limited to the amount required for an original appointment in the grade of colonel in the Army, Air Force, or Marine Corps, or in the grade of captain in the Navy. The provision would authorize the secretary concerned to award constructive credit for leadership experience, professional credentials, and technical expertise to directly commission officers up to the grade of O–6. The authorities created by this provision would be similar to existing authorities used to commission professionals such as doctors, lawyers, and chaplains. The authorities would also extend to branches, career fields, and occupational specialties that may be designated by the services as having

technical track status. It would also enhance the ability to rapidly assess highly qualified personnel for emergent warfighting areas such as cyber.

Authority of promotion boards to recommend officers of particular merit be placed at the top of the promotion list (sec. 505)

The committee recommends a provision that would amend section 616 of title 10, United States Code, to authorize an officer promotion board to recommend Active-Duty officers of particular merit to be placed at the top of the promotion list.

Promotion eligibility period for officers whose confirmation of appointment is delayed due to nonavailability to the Senate of probative information under control of non-Department of Defense agencies (sec. 506)

The committee recommends a provision that would amend section 629(c) of title 10, United States Code, to provide that the period for promotion eligibility of an officer would not expire during the period when the Senate is unable to obtain information necessary to give its advice and consent to the appointment concerned because the information is under control of a department or agency of the federal government other than the Department of Defense.

Length of joint duty assignments (sec. 507)

The committee recommends a provision that would amend section 664 of title 10, United States Code, to modify the qualifying period for joint duty assignments from 3 years to not less than 2 years. The proposal would repeal the average tour length requirement and repeal the authority for shorter tour lengths for officers initially assigned to critical occupational specialties.

The committee is concerned that joint duty assignments must provide an adequate opportunity for officers to gain meaningful experience with and exposure to joint requirements. The committee determined that a period of not less than 2 years is an acceptable period of time to achieve this desired result. In addition to clarifying that a qualifying joint tour length must be not less than 2 years it allows officers additional time to attain service-specific warfare professional development experience.

Modification of definitions relating to joint officer management (sec. 508)

The committee recommends a provision that would amend section 668 of title 10, United States Code, to update the definitions of joint matters and joint duty assignment for the purpose of joint officer management. The provision would also repeal the definition of critical occupational specialty.

Continuation of certain officers on Active Duty without regard to requirement for retirement for years of service (sec. 509)

The committee recommends a provision that would amend chapter 36 of title 10, United States Code, to authorize service secretaries to allow officers in a grade above O–4 who are serving in

military occupational specialties designated by the secretary to remain on Active Duty for up to 40 years of active service.

Extension of force management authorities allowing enhanced flexibility for officer personnel management (sec. 510)

The committee recommends a provision that would:

(a) amend section 4403(i) of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484) to extend Temporary Early Retirement Authority through December 31, 2025;

(b) amend section 638a(a)(2) of title 10, United States Code, to extend through December 31, 2025 authority for service secretaries to manage authorized officer personnel strength by shortening the period of continuation of service by officers on Active Duty, to authorize involuntary early retirement for certain officers on Active Duty, and to consider officers for involuntary discharge who are not eligible for retirement;

(c) amend section 1175a(k)(1) of title 10, United States Code to extend through December 31, 2025 authority to provide voluntary separation pay and benefits; and

(d) amend section 1370(a)(2)(F) of title 10, United States Code to extend through fiscal year 2025, authority for early retirement of up to 4 percent of the authorized Active-Duty strength of officers in the grades of O–5 and O–6 without reduction in grade, in each fiscal year.

Subtitle B—Reserve Component Management

Authority for temporary waiver of limitation on term of service of Vice Chief of the National Guard Bureau (sec. 521)

The committee recommends a provision that would amend section 10505(a)(4) of title 10, United States Code, to authorize the Secretary of Defense to extend the term of office of the Vice Chief of the National Guard Bureau for up to 90 days to provide for the orderly transition of officers appointed to the positions of the Chief and the Vice Chief of the National Guard Bureau.

Authority to designate certain Reserve officers as not to be considered for selection for promotion (sec. 522)

The committee recommends a provision that would amend section 14301 of title 10, United States Code, to authorize the secretaries of the military departments to defer promotion consideration for reserve component officers in a non-participatory (membership points only) status. Currently, section 14301 of title 10, United States Code, requires servicemembers identified on the Reserve Active Status List to be considered for promotion to the next higher grade. This includes certain categories of reservists on the Reserve Active Status List who, by Department of Defense guidance, are in the Individual Ready Reserve and the Standby Reserve and who remain eligible for promotion consideration, but are not actively participating in Reserve duty because they are in a status in which they are receiving membership only points for Reserve credit.

Under current law, some individuals assigned to the Individual Ready Reserve may be discharged from the reserve component upon their second deferral for promotion because they are considered to have twice failed for promotion. This provision would provide the reserve component flexibility to remove individuals from promotion consideration during a period when they are least competitive for promotion, and would allow the services to retain servicemembers with significant military training as well as civilian technical and professional skills that could contribute to their potential for selection for promotion should the individual return to active participation in military service.

Rights and protections available to military technicians (sec. 523)

The committee recommends a provision that would amend section 709 of title 32, United States Code, to clarify the employment rights and protections of military technicians such that when a military technician files an appeal of a personnel action that concerns an activity that occurs while the member is in a military status or concerns fitness for duty in the reserve components, current statutory limitations concerning such appeals will continue to apply. With respect to an appeal concerning any other activity occurring while the member is in a civilian status, the provisions of section 717 of the Civil Rights Act of 1991 (42 U.S.C. 2000e–16) shall apply.

Extension of suicide prevention and resilience programs for the National Guard and Reserves (sec. 524)

The committee recommends a provision that would amend section 10219(g) of title 10, United States Code, to extend the authority for suicide prevention and resilience programs for the National Guard and Reserves until October 1, 2022.

Inapplicability of certain laws to National Guard technicians performing Active Guard and Reserve duty (sec. 525)

The committee recommends a provision that would amend section 709 of title 32, United States Code, to clarify that the provision that grants military leave to individuals appointed to the civil service does not apply to members of the Active Guard and Reserve, just as it does not apply to members on Active Duty.

Subtitle C—General Service Authorities

Responsibility of Chiefs of Staff of the Armed Forces for standards and qualifications for military specialties within the Armed Forces (sec. 531)

The Committee recommends a provision that would vest in the Chief of Staff of each of the Armed Forces the responsibility for establishing, approving, and modifying the criteria, standards, and qualifications for military specialty codes within that Armed Force. The Secretary of Defense will still retain oversight authority.

Leave matters (sec. 532)

The committee recommends a provision that would modify section 701 of title 10, United States Code, to authorize up to 6 weeks of uncharged leave that may be taken by a servicemember who is the primary caregiver in the case of the birth of a child or the adoption of a child. In the case of leave taken following the the birth of a child, the availability of primary caregiver leave would commence after completion of medical convalescent leave resulting from the birth of such child.

The provision would also increase the amount of uncharged leave authorized for a secondary caregiver in the case of the birth of a child or the adoption of child. The provision would authorize 21 days of uncharged leave for a birth parent or an adoptive parent who is the secondary caregiver. The provision would repeal subsections of section 701 relating to spouse and adoption leave as obsolete.

The provision would require the Secretary of Defense to prescribe in regulation definitions of eligible primary and secondary caregivers for the purposes of this benefit, and to establish regulations for requesting and approving uncharged leave associated with births to a military family, and with adoptions by a military family, and would allow a military member to accept a 1-week extension of a servicemember's military service obligation for every week of such leave approved and taken. The implementing regulations would authorize the secretary concerned to waive service obligation extensions related to this leave as an incentive for re-enlistments.

The provision would also create a new section 704a of title 10, United States Code, that would prohibit leave to be authorized, granted or assigned, including uncharged leave, unless expressly authorized by law. The committee considers this provision necessary to clarify that military leave is established by law and may not be created without express congressional authority.

Transfer of provision relating to expenses incurred in connection with leave canceled due to contingency operations (sec. 533)

The committee recommends a provision that would relocate the authority to reimburse members of the Armed Force for expenses incurred in connection with leave cancelled due to contingency operations from section 453 of title 37, United States Code, to title 10, United States Code.

Reduction of tenure on the temporary disability retired list (sec. 534)

The committee recommends a provision that would amend section 1210 of title 10, United States Code, to reduce the maximum tenure for servicemembers placed on the Temporary Disability Retired List (TDRL), due to an injury or illness eligible for disability retirement, from 5 years to 3 years. The committee notes that this provision addresses a recommendation from the Government Accountability Office in 2009 for Congress to shorten the maximum tenure for placement on the TDRL.

Prohibition on enforcement of military commission rulings preventing members of the Armed Forces from carrying out otherwise lawful duties based on member gender (sec. 535)

The committee recommends a provision that would prohibit a military commission established under chapter 47A of title 10, United States Code, from acting by order, ruling, finding, or otherwise that a member of the Armed Forces may not perform duties otherwise lawfully assigned if the prohibition is based solely on the gender of the servicemember. The provision would also vacate any such order issued before the date of enactment of this Act.

Board for the Correction of Military Records and Discharge Review Board matters (sec. 536)

The committee recommends a provision that would amend section 1552 of title 10, United States Code, to require that a board convened to consider a claim for correction of military records by a former servicemember (1) who had been deployed in support of contingency operation and who was subsequently diagnosed as experiencing post-traumatic stress disorder (PTSD) or traumatic brain injury (TBI), or (2) who was diagnosed while serving in the military as experiencing a mental health disorder include a clinical psychologist or psychiatrist, or a physician with training on mental health issues connected with PTSD or TBI. The proposal would require the military department concerned, or the Department of Homeland Security, to make available to the public on an Internet website information regarding claims considered by the service board for correction of military records in a calendar quarter.

The committee also recommends a provision that would modify section 1553 of title 10, United States Code, to require similar information be made available to the public on an Internet website information regarding claims considered by the service discharge review boards in a calendar quarter.

The committee endorses the supplemental guidance issued by former Secretary of Defense Chuck Hagel on September 3, 2014, to military boards for correction of military/Naval records considering discharge upgrade requests by veterans claiming PTSD. This guidance requires the boards to give liberal consideration to petitions for changes in characterization of service to service treatment record entries which document one or more symptoms which meet the diagnostic criteria of PTSD or related conditions. The committee directs that similar guidance be provided to military discharge review boards and that in cases where PTSD or PTSD-related conditions may be reasonably determined to have existed at the time of discharge, all boards will consider those conditions as potential mitigating factors for any misconduct that resulted in a discharge less than an honorable discharge.

Reconciliation of contradictory provisions relating to qualifications for enlistment in the reserve components of the Armed Forces (sec. 537)

The committee recommends a provision that would amend section 12102(b) of title 10, United States Code, to align the requirements for enlistment in the reserve components of the Armed

Forces with the requirements for enlistment in the active components.

Subtitle D—Military Justice and Legal Assistance Matters

Part I—Retaliation

Report to complainants of resolution of investigations into retaliation (sec. 541)

The committee recommends a provision that would require the Secretary of Defense to prescribe regulations that would require that the results of an investigation of a retaliation complaint by a member of the Armed Forces be reported to the member who initiated the complaint. The report would inform the member whether the complaint was substantiated, unsubstantiated, or dismissed. The provision would also require the Secretary of Homeland Security to prescribe similar regulations to report on retaliation complaints by a member of the Coast Guard.

Training for Department of Defense personnel on sexual assault trauma in individuals claiming retaliation in connection with reports of sexual assault in the Armed Forces (sec. 542)

The committee recommends a provision that would require the Secretary of Defense to prescribe training on the nature and consequences of sexual assault trauma to individuals in the Department of Defense who investigate claims of retaliation.

Inclusion in annual reports on sexual assault prevention and response efforts of the Armed Forces of information on complaints of retaliation in connection with reports of sexual assault in the Armed Forces (sec. 543)

The committee recommends a provision that would amend section 1631(b) of the Ike Skelton National Defense Authorization Act for Fiscal Year 2011 (10 U.S.C. 1561 note) to require the annual report on sexual assault and response efforts to include information on complaints of retaliation in connection with reports of sexual assault in the Armed Forces.

Metrics for evaluating the efforts of the Armed Forces to prevent and respond to retaliation in connection with reports of sexual assault in the Armed Forces (sec. 544)

The committee recommends a provision that would require the Sexual Assault Prevention and Response Office of the Department of Defense to establish and issue metrics to be used by the military departments to evaluate the efforts of the Armed Forces to prevent and respond to retaliation in connection with reports of sexual assault in the Armed Forces.

Part II—Other Military Justice Matters

Discretionary authority for military judges to designate an individual to assume the rights of the victim of an offense under the Uniform Code of Military Justice when the victim is a minor, incompetent, incapacitated, or deceased (sec. 546)

The committee recommends a provision that would amend section 806b(c) of title 10, United States Code (Article 6b(c), Uniform Code of Military Justice (UCMJ)) to authorize military judges to decide on a case-by-case basis whether it is appropriate to appoint an individual to assume the victim's rights in all cases under the UCMJ in which the victim of an offense is under 18 years of age (unless the victim is a member of the Armed Forces) or is incompetent, incapacitated, or deceased. The proposal would bring Article 6b(c), UCMJ, in line with the discretion federal civilian judges have to appoint an individual to assume the victim's rights under the Crime Victims' Rights Act (18 U.S.C. 3771). The proposal would help protect minors in those situations where they are mature enough to communicate their desires themselves or through counsel. The American Bar Association Model Rules of Professional Conduct, upon which the service rules are based, presume the competency of minors to exercise their rights, unless or until they demonstrate they are not able to do so.

Appellate standing of victims in enforcing rights of victims under the Uniform Code of Military Justice (sec. 547)

The committee recommends a provision that would amend section 806b of title 10, United States Code (article 6b of the Uniform Code of Military Justice (UCMJ)) to authorize victims to file pleadings as a real party in interest when the Government files appellate pleadings implicating the victim's rights relating to Military Rule of Evidence (MRE) 412, relating to the admission of evidence regarding a victim's sexual background; MRE 513, relating to the psychotherapist-patient privilege; or MRE 514, relating to the victim advocate-patient privilege. The provision would also amend section 806b of title 10, United States Code (article 6b of the UCMJ) to afford a victim with the right to reasonable, accurate, and timely notice of any appellate matters.

Effective prosecution and defense in courts-martial (sec. 548)

The committee recommends a provision that would require the service secretaries to carry out a program to ensure that trial and defense counsel detailed to prosecute or defend a court-martial have sufficient experience and knowledge to effectively prosecute or defend the case, or that there is adequate supervision and oversight of the trial counsel and the defense counsel to ensure effective prosecution and defense in the court-martial. The provision would also require service secretaries to establish and use a system of skill identifiers to identify judge advocates with skill and experience in military justice proceedings to identify judge advocates to provide supervision and oversight of less experienced judge advocates prosecuting and defending in military courts-martial.

The committee is concerned that junior judge advocates may be detailed as trial counsel or defense counsel in complex cases where the judge advocate does not have the skill and experience to effectively address the complex issues in the case. In those cases where the judge advocate does not have the requisite skill or experience, the committee expects the service secretaries, acting through their Judge Advocates General, or Staff Judge Advocate to the Commandant in the case of the Marine Corps, to provide adequate supervision and oversight to ensure that the case is professionally and competently prosecuted and defended.

Pilot programs on military justice career track for judge advocates (sec. 549)

The committee recommends a provision that would require the Secretary of each military department to conduct a 5 year pilot program to assess the feasibility and advisability of a career military justice litigation track for judge advocates in the Armed Forces. The pilot programs would include a military justice career track that leads to senior judge advocates with military justice expertise in prosecuting and defending complex cases in military courts-martial. The provision would use authority provided elsewhere in this Act to suspend limitations on the number of certain senior commissioned officers on active duty, under section 532(a) of title 10, United States Code. The provision would require the use of skill identifiers to identify judge advocates participating in the pilot programs. The provision would also require promotion boards to give the same opportunity for promotion as all other judge advocates being considered for promotion.

The provision would require the Secretary of Defense to submit reports on the pilot programs not later than 4 years after the date of enactment of this Act.

Modification of definition of sexual harassment for purposes of investigations of complaints of harassment by commanding officers (sec. 550)

The committee recommends a provision that would amend section 1561(i) of title 10, United States Code, to modify the definition of sexual harassment. The committee is concerned that the existing definition of sexual harassment has caused the military services to consider sexual harassment as a violation of equal opportunity policy instead of an adverse behavior that data have demonstrated is on the spectrum of behavior that can contribute to an increase in the incidence of sexual assault.

Extension and clarification of annual reports regarding sexual assault involving members of the armed forces (sec. 551)

The committee recommends a provision that would amend section 1631 of the Ike Skelton National Defense Authorization Act for Fiscal Year 2011 (Public Law 111–383) that would extend the requirement for the annual report on sexual assault in the military under that section through February, 2025, and require the reports to be submitted to the Committees on Armed Services of the Senate and the House of Representatives not later than March 31 each

year. The provision would also clarify the scope of sexual assaults covered by the report to include all reported sexual assaults, regardless of the age of the offender or victim or the relationship status between the offender and victim, including, at a minimum, all sexual assault reports received by the Sexual Assault Prevention and Response Program, or equivalent, and the Family Advocacy Program, or equivalent, of each Armed Force.

Expansion of authority to execute certain military instruments (sec. 552)

The committee recommends a provision that would amend section 1044d of title 10, United States Code, to authorize a person authorized to act as a notary under section 1044a of title 10, United States Code, or a state-licensed notary employed by a military department or the Coast Guard, who is supervised by a military legal assistance counsel, to notarize military testamentary instruments. The provision would also amend section 1044a(b) to authorize all civilian paralegals serving at military legal assistance offices, supervised by a military legal assistance counsel, to act as a notary.

United States Court of Appeals for the Armed Forces (sec. 553)

The committee recommends a provision that would amend section 942(b)(2) of title 10, United States Code (Article 142(b)(2) of the Uniform Code of Military Justice) to modify the terms of two civilian judges of the United States Court of Appeals for the Armed Forces ("the court") to avoid disruption that may occur to the operations of the court when two judicial vacancies occur simultaneously.

The provision would modify the daily rate of compensation for senior judges performing judicial duties with the court so that they would be paid the difference between the pay of a judge of the court and their federal retired pay, consistent with the process employed by the United States Court of Appeals for the District of Columbia and the United States Bankruptcy Courts.

The provision would authorize the judges of the court to administer oaths in a similar manner as other federal judges.

The provision would repeal the provision in article 142(b)(3) that precludes more than three judges of the court from being from the same political party. The party balance requirement was included in the original Uniform Code of Military Justice, which established the Court of Military Appeals (as the Court of Appeals for the Armed Forces was originally named) as a new three-judge Court. The committee has determined that the party balance requirement has outlived its usefulness. It does not appear that any other federal court is subject to a party balance requirement.

Subtitle E—Member Education, Training, and Transition

Limitation on tuition assistance for off-duty training or education (sec. 561)

The committee recommends a provision that would amend section 2007 of title 10, United States Code, to limit the tuition assist-

ant program for off-duty training and education to education programs likely to contribute to the professional development of the servicemember. The committee notes that this provision was recommended in the final report of the Military Compensation and Retirement Modernization Commission. The committee strongly recommends this limit as essential to good stewardship of the tuition assistance program.

The committee also notes that this amendment preserves the important distinction between off-duty education programs funded by tuition assistance that primarily benefit professional development of service members while currently serving in the Armed Forces and programs addressed elsewhere in this Act that support the transition to civilian life by providing access to civilian credentials based on military training and experience.

Modification of program to assist members of the Armed Forces in obtaining professional credentials (sec. 562)

The committee recommends a provision that would amend section 2015 of title 10, United States Code, to include within the program to assist members in obtaining professional credentials those credentials that were acquired during military service, but which were not necessarily obtained incident to the performance of their military duties. The provision would also eliminate the requirement that credentialing programs be accredited by third party accreditation bodies, and instead would require that credentialing programs meet certain other quality assurance benchmarks.

Access to Department of Defense installations of institutions of higher education providing certain advising and student support services (sec. 563)

The committee recommends a provision that would amend chapter 101 of title 10, United States Code, to require the Secretary of Defense to grant access to all Department of Defense installations any institution of higher education that has a Voluntary Education Partnership Memorandum of Understanding with the Department for the purposes of student advising and support services.

Priority processing of applications for Transportation Worker Identification Credentials for members undergoing discharge or release from the Armed Forces (sec. 564)

The committee recommends a provision that would require the Secretary of Defense to consult, and enter into a memorandum of understanding, with the Secretary of Homeland Security to afford a priority in the processing of applications for Transportation Worker Identification Credentials (TWIC) by members of the Armed Forces who are undergoing separation, discharge or release from the Armed forces. The provision would require adjudication of such applications not later than 14 days after the application is submitted, unless an appeal or waiver applies, or if other documentation is required. The priority for separating servicemembers shall commence not later than 180 days after enactment of this Act. The provision also requires a report on the implementation of this provision one year after enactment of this Act.

The committee recommends that the memorandum of understanding required under this provision should provide, to the greatest extent practicable, that the Transportation Safety Administration (TSA) accept validated security clearance information from the Department of Defense, including the National Agency Check with Law and Credit (NACLC), to meet the expeditious processing of applications required under this provision. The committee understands that the Department of Defense's security clearance checks meet or exceed the requirements currently required and conducted by the TSA.

The committee is yet again disappointed that the Department of Defense and the Department of Homeland Security have failed to take necessary action to implement priority processing of TWIC applications for transitioning servicemembers who are qualified and motivated to serve in the maritime industry. The Joint Explanatory Statement accompanying the National Defense Authorization Act for Fiscal Year 2016 (P.L. 114–92) expressed the disappointment of conferees in the lack of progress in providing the prioritized treatment of such applications. The committee expects the Department of Defense and the Department of Homeland Security to now work to implement the priority required by this provision, and without further delay.

Subtitle F—Defense Dependents' Education and Military Family Readiness Matters

Continuation of authority to assist local educational agencies that benefit dependents of members of the Armed Forces and Department of Defense civilian employees (sec. 571)

The committee recommends a provision that would authorize $25.0 million in Operation and Maintenance, Defense-wide, for continuation of the Department of Defense (DOD) assistance program to local educational agencies impacted by enrollment of dependent children of military members and DOD civilian employees.

Impact aid for children with severe disabilities (sec. 572)

The committee recommends a provision that would authorize $5.0 million in Operation and Maintenance, defense-wide, for impact aid payments for children with disabilities (as enacted by Public Law 106–398; 114 Stat. 1654A–77; 20 U.S.C. 7703a) using the formula set forth in section 363 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (Public Law 106–398), for continuation of Department of Defense assistance to local educational agencies that benefit eligible dependents with severe disabilities.

Impact Aid amendments (sec. 573)

The committee recommends a provision that would: 1) amend sections 7003(b)(2)(B)(i)(I), 7003(b)(2)(B)(i)(II)(bb), and 7003(b)(2)(B)(i)(IV) of the Elementary and Secondary Education Act of 1965 (most recently amended by Public Law 114–95) to: 1) make a technical correction to the current statute to prevent the inadvertent disqualification of some local school districts from the Im-

pact Aid heavily impacted program whose boundaries are within the perimeter of military installations; 2) provide additional time to collect data on the effects to the Impact Aid heavily impacted program; and 3) adjust eligibility criteria to meet congressional intent.

One-year extension of authorities relating to the transition and support of military dependent students to local educational agencies (sec. 574)

The committee recommends a provision that would amend section 547(c)(3) of the John Warner National Defense Authorization Act for Fiscal Year 2007 (20 U.S.C. 7703b note) to extend the authorities relating to transition and support of military dependent students to local educational agencies from September 30, 2016, to September 30, 2017. The provision would also require the administration to submit detailed budget justification information with any annual budget request that includes a request for the future extension of these authorities.

Comptroller General of the United States analysis of unsatisfactory conditions and overcrowding at public schools on military installations (sec. 575)

The committee recommends a provision that would require the Comptroller General of the United States to submit a report, within 1 year after the date of enactment of this Act, which provides an analysis of the condition and capacity of public schools on military installations. The provision would require the analysis to include schools omitted from the July 2011 Department of Defense analysis of such schools.

Enhanced flexibility in provision of relocation assistance to members of the Armed Forces and their families (sec. 576)

The committee recommends a provision that would amend section 1056 of title 10, United States Code, to permit enhanced flexibility in giving relocation assistance to members of the Armed Forces and their families. The provision would allow the Department of Defense to adapt the delivery of relocation assistance to meet the evolving needs of military servicemembers and their families by leveraging technology to improve access, efficiency, and responsiveness of the relocation assistance program, especially in situations where servicemembers reside overseas or away from a military installation with a relocation assistance program. Finally, the provision would establish the position of Program Manager of Military Relocation Assistance in the office of the Assistant Secretary of Defense for Manpower and Reserve Affairs.

Reporting on allegations of child abuse in military families and homes (sec. 577)

The committee recommends a provision that would require the Secretary of Defense and the Secretary of Homeland Security to prescribe regulations to ensure that the family advocacy program office at a military installation to which a member of the Armed Forces is assigned is provided an immediate report of credible in-

formation obtained by any individual in the chain of command of the servicemember, that a child in the family or home of the servicemember has suffered an incident of child abuse. The provision would require a similar report by any member of the Armed Forces in a profession described by subsection 226(b) of the Victims of Child Abuse Act of 1990 (42 U.S.C. 13031) who has reason to suspect that a child in the family or home of a servicemember has suffered an incident of child abuse.

Background checks for employees of agencies and schools providing elementary and secondary education for Department of Defense dependents (sec. 578)

The committee recommends a provision that would require certain local educational agencies receiving impact aid under subchapter VII of chapter 70 of title 20, United States Code, and each Department of Defense (DOD) domestic dependent elementary and secondary school, within 2 years of enactment of this Act, to establish policies and procedures requiring a criminal background check for each school employee of the agency or school. Additionally, this provision would: (1) prohibit the employment of a school employee at the agency or school if the employee refuses to consent to a criminal background check, makes a false statement in connection with a criminal background check, or has a conviction for certain specific felonies; (2) require periodic updates of background checks in accordance with policies established by local educational agencies or DOD domestic schools; (3) authorize a school employee, upon request, to receive a copy of the criminal background check, and the employee would have a right to appeal the accuracy and completeness of the background check; and (4) authorize a local educational agency or school to share the results of a criminal background check with another educational agency considering an employee for employment. Finally, the provision would authorize certain federal and state officials to charge reasonable fees for conducting a criminal background check not to exceed the actual costs for processing and administering the background check.

Support for programs providing camp experience for children of military families (sec. 579)

The committee recommends a provision that would authorize the Secretary of Defense to provide financial or non-monetary support to qualified non-profit organizations to assist those organizations in carrying out programs to support the attendance of children of military families at a camp or camp-like setting.

Comptroller General of the United States report on Exceptional Family Member Program (sec. 580)

The committee recommends a provision that would require the Comptroller General of the United States to submit a report to the Committees on Armed Services of the Senate and the House of Representatives, not later than 180 days after the date of enactment of this Act, on the effectiveness of each Exceptional Family Member Program of the Armed Forces.

Repeal of Advisory Council on Dependents' Education (sec. 581)

The committee recommends a provision that would repeal section 1411 of the Defense Dependents' Education Act of 1978 to abolish the Advisory Council on Dependents' Education.

Subtitle G—Decorations and Awards

Authorization for award of the Medal of Honor to Charles S. Kettles for acts of valor during the Vietnam war (sec. 586)

The committee recommends a provision that would waive the time limitations specified in section 3744 of title 10, United States Code, to authorize the President to award the Medal of Honor to Charles S. Kettles, for acts of valor on May 15, 1967, during the Vietnam War, while as Flight Commander in the United States Army, 176th Aviation Company, 14th Aviation Battalion, Task Force Oregon, Republic of Vietnam.

Authorization for award of the Medal of Honor to Gary M. Rose for action of valor during the Vietnam war (sec. 587)

The committee recommends a provision that would waive the time limitations specified in section 3744 of title 10, United States Code, to authorize the President to award the Medal of Honor to Gary M. Rose, for acts of valor from September 11 through 14, 1970, during the Vietnam War, while a member of the United States Army, Military Assistance Command Vietnam-Studies and Observation Group (MACVSOG).

Authorization for award of the Distinguished Service Cross to Chaplain (First Lieutenant) Joseph Verbis LaFleur for acts of valor during World War II (sec. 588)

The committee recommends a provision that would authorize the Secretary of the Army to award the Distinguished Service Cross to Chaplain (First Lieutenant) Joseph Verbis LaFleur for acts of valor while interned as a prisoner of war by Japan, from December 30, 1941 to September 7, 1944.

Posthumous advancement of Colonel George E. "Bud" Day, United States Air Force, on the retired list (sec. 589)

The committee recommends a provision that would posthumously advance Colonel George E. "Bud" Day, United States Air Force, to the rank of brigadier general on the retired list of the United States Air Force. Colonel Day's benefits would not be affected by this action.

Subtitle H—Miscellaneous Reports and Other Matters

Applicability of Military Selective Service Act to female citizens and persons (sec. 591)

The committee recommends a provision that would amend the Selective Service Act (Public Law 65–12) to include women in the requirement to register for selective service, to the same extent

men are currently required, beginning January 1, 2018. The committee notes that the ban of females serving in ground combat units has been lifted by the Department of Defense, and as such, there is no further justification to apply the selective service act to males only.

Senior Military Acquisition Advisors in the Defense Acquisition Corps (sec. 592)

The committee recommends a provision that would add a new section 1725 to title 10, United States Code, to establish positions known as "Senior Military Acquisition Advisors" in the Defense Acquisition Corps. The provision would authorize the Secretary of Defense to establish in the Defense Acquisition Corps positions to be known as "Senior Military Acquisition Advisors"'. Senior Military Acquisition Advisors will be appointed by the President, by and with the advice and consent of the Senate. Eligible officers include officers in the grade of colonel or captain in the Navy, with extensive defense acquisition experience, and who are eligible for retirement. Senior Military Acquisition Advisors will be authorized to remain in service in support of their Service Acquisition Executive and be assigned as an adjunct professor at the Defense Acquisition University.

Senior Military Acquisition Advisors would be competitively selected and would provide senior level acquisition expertise to the Service Acquisition Executive of their military department for the remainder of their career. An officer who is continued on active duty under this program is not eligible for consideration for selection for promotion. A Senior Military Acquisition Advisor will serve no longer than a 5-year term. When a Senior Military Acquisition Advisor retires with a minimum of 3 years of service, the officer may, at the discretion of the President, be retired as a brigadier general or rear admiral (lower half), but without increase in retired pay or other compensation by reason of retirement of an officer in the grade of brigadier general or rear admiral (lower half).

Annual reports on progress of the Army and the Marine Corps in integrating women into military occupational specialties and units recently opened to women (sec. 593)

The committee recommends a provision that would require a report to be delivered to the Committees on Armed Services of the Senate and the House of Representatives by the Chief of Staff of the Army, the Commandant of the Marine Corps, and the Commander of the United States Special Operations Command annually on April 1, 2017 and each year thereafter through 2021 on the progress of integrating women into military occupational specialties and units recently opened to women.

Elements of the report shall include: (1) The status of gender-neutral standards throughout the Entry Level Training continuum; (2) The propensity of applicants to apply for and access into newly-opened ground combat programs, by gender and program; (3) Success rates in Initial Screening Tests and Military Occupational Specialty (MOS) Classification Standards for newly-opened ground combat military occupational specialties, by gender; (4) Attrition

rates and causes of attrition throughout the Entry Level Training continuum, by gender and military occupational specialty; (5) Reclassification rates and causes of reclassification throughout the Entry Level Training continuum, by gender and military occupational specialty; (6) Injury rates and causes of injury throughout the Entry Level Training continuum, by gender and military occupational specialty; (7) Injury rates and nondeployability rates in newly-opened ground combat military occupational specialties, by gender and military occupational specialty; (8) A comparative analysis of injury rates, causes of injury, and nondeployability rates in similar military occupational specialties of allied countries, including Australia, Canada, Israel, and the United Kingdom, and a comparative analysis of the mitigation factors used by the United States and such countries; (9) Lateral move approval rates into newly opened military occupational specialties, by gender and military occupational specialty; (10) Reenlistment and retention rates in newly-opened ground combat military occupational specialties, by gender and military occupational specialty; (11) Promotion rates in newly-opened ground combat military occupational specialties, by grade and gender; and (12) Actions taken to address matters relating to equipment sizing and supply, and facilities, in connection with the implementation by such Armed Forces.

Report on career progression tracks of the Armed Forces for women in combat arms units (sec. 594)

The committee recommends a provision that would require the Secretary of Defense to submit a description of the career progression track for entry level and laterally moved female service members both officer and enlisted of each Armed Force for positions that have been opened as a result of the December 3, 2015, decision by the Secretary to open all previously closed military occupations to women.

Repeal of requirement for a chaplain at the United States Air Force Academy appointed by the President (sec. 595)

The committee recommends a provision that would repeal section 9337 of title 10, United States Code, that requires a chaplain at the United States Air Force Academy appointed by the President. The section is not required because the Air Force and the other military departments already assign chaplains to the service academies under existing service personnel assignment procedures.

Extension of limitation on reduction in number of military and civilian personnel assigned to duty with service review agencies (sec. 596)

The committee recommends a provision that would amend section 1559 of title 10, United States Code, to extend the limitation on reducing the number of military and civilian personnel assigned to duty with the service review agencies through December 31, 2019.

The committee determined that the service review agencies must continue to be staffed at a level to accommodate expeditious review of cases and to reduce backlog. The committee notes that recent changes to eligibility for service record and discharge reviews may

have increased the number of former servicemembers seeking review, particularly for members who were separated for misconduct that may be attributed to the effects of post-traumatic stress disorder, whether or not diagnosed at the time of the misconduct, and for members separated for homosexual conduct prior to the repeal of "Don't Ask Don't Tell". The service review agencies must continue to be staffed with an adequate number of personnel to perform their important work.

Items of Special Interest

Assessment of Joint Professional Military Education

The committee believes that Joint Professional Military Education (JPME) is a key component of growing joint-qualified officers, and in developing leaders capable of planning, fighting, and winning tomorrow's wars. The committee also believes, however, that the delivery of JPME, and Professional Military Education (PME) provided by the military services, can be improved. Therefore, the committee directs the Secretary of Defense to review the delivery of Joint Professional Military Education in the military services, including an assessment of: (1) the current statutory and regulatory framework authorizing, regulating, and potentially restricting development of better methods and models of delivering JPME; (2) the curricula of JPME and PME, and whether they are adequately preparing tomorrow's leaders; (3) the quality of faculty, both military and civilian; (4) whether institutions that deliver JPME and PME afford faculty sufficient academic freedoms and career progression opportunities to attract and retain talented instructors; (5) whether any JPME or PME courses, programs, or schools should be added or eliminated; and (6) any other aspect of JPME or PME that the Secretary deems appropriate. The Secretary shall provide a report to the Committees on Armed Services of the Senate and the House of Representatives by no later than April 1, 2017, on the results of this review.

Comptroller General of the United States assessment of Department of Navy personnel strategies for unmanned systems

Unmanned systems have become an integral part of the Department of Defense's warfighting capabilities as demonstrated in Iraq and Afghanistan. In recent years, much focus has been on the Air Force and the Army regarding their use of unmanned aerial systems. However, the Navy is also rapidly increasing its use of unmanned systems and has recently established a deputy assistant secretary of the Navy for unmanned systems. The Navy's use of unmanned systems not just in the air, but also on the sea and undersea, creates unique challenges that must be addressed. As the Secretary of the Navy has noted, unmanned systems are inherently different from their manned counterparts, and policies and procedures must be in place for the design, development, testing and evaluation of unmanned systems. The committee also believes the associated unique personnel issues of the Department of the Navy's unmanned systems must be considered and addressed.

Therefore, the committee directs the Comptroller General of the United States to submit to the Committees on Armed Services of the Senate and the House of Representatives a report setting forth the results of a study, conducted by the Comptroller General with preliminary observations due no later than March 1, 2017, and a report to follow, to examine the Department of Navy's personnel strategies for unmanned systems, including unmanned aerial vehicles, unmanned surface vehicles and unmanned underwater vehicles. The report shall include an examination of the extent to which the Navy and the Marine Corps have done the following: (1) analyzed the personnel requirements for positions required to operate aerial, surface, and underwater systems including the existing and future critical skills and competencies needed; (2) examined alternative populations, such as civilians and contractors, as well as the type of military personnel used, officer, enlisted, or a mix, that could be assigned to unmanned systems; (3) conducted a cost benefit analysis to determine the risks and advantages of the varying personnel assignment strategies they are pursuing for unmanned operators; and (4) developed strategies to recruit and retain personnel to operate unmanned using compensation tools available.

Comptroller General of the United States review of pilot programs on career flexibility to enhance retention of members of the armed forces

The committee directs the Comptroller General of the United States to review career intermission pilot programs implemented pursuant to section 533 of the Duncan Hunter National Defense Authorization Act for Fiscal Year 2009 (Public Law 110–417), as amended by section 523 of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92), and the reports prepared and submitted under section 533(k) of that Act, and to provide a report on the results of the study to the Committees on Armed Services of the Senate and the House of Representatives by December 31, 2016. At a minimum, the review should assess:

(a) whether the authorities of the pilot program have provided an effective means to enhance the retention of members of the armed forces possessing critical skills, talents, and leadership abilities;

(b) the career progression in the armed forces of individuals who participated in the pilot program and whether their careers have been adversely affected;

(c) the usefulness of the pilot program in responding to the personal and professional needs of individual members of the armed forces;

(d) the extent to which the designation as a pilot program has discouraged participation by qualified applicants; and

(e) the costs incurred in the program to date, and an assessment of the expected annual costs in the expanded program as modified by section 523 of the National Defense Authorization Act for Fiscal Year 2016 to remove limits and restrictions on participation.

Comptroller General report on the continuum of offenses involving unwanted sexual behavior in the armed forces

Over the past decade, the Department of Defense (DOD) has made significant strides to address problems in its ranks regarding hazing, sexual harassment, domestic violence, and sexual assault. As DOD has grappled with these problems, however, it has historically found that the reporting of these incidents is under-reported and fragmented. Defining such behaviors as "hazing," "sexual harassment," "domestic violence," and "sexual assault" has been difficult because these behaviors frequently overlap, and because efforts to combat unacceptable behaviors must be founded on clearly understood definitions that precisely distinguish between unacceptable and criminal behavior. These difficulties have been complicated by the fact that DOD and the services assign responsibility for preventing these behaviors and setting policies regarding unwanted sexual behaviors to separate offices with different chains of command and different reporting databases and reporting mechanisms. As a result, DOD lacks a comprehensive view of the continuum of offenses involving sexual behavior and can therefore not adequately target policies to prevent them, hold perpetrators accountable, and care for those who are victims. Because of this fragmentation and lack of focus for DOD's sexual prevention efforts, the committee directs the Comptroller General of the United States to provide preliminary observations to the Senate Committee on Armed Services no later than April 1, 2017, that are based on the following questions:

(a) To what extent do offices and programs in DOD that are responsible for setting policy and preventing the various types of unwanted sexual behavior involving servicemembers perform the same or similar functions?

(b) To what extent do these offices coordinate and collaborate with each other to share information and leverage resources?

(c) To what extent are policies and databases that contain information on incidents on unwanted sexual behavior coordinated to ensure that DOD has a complete picture of the continuum of such behavior and to target policies to prevent them and punish perpetrators?

CONUS Education Options Assessment

The Department of Defense (DOD) currently operates schools or contracts with local education agencies to provide K–12 education for over 25,000 students in nine states. The Department estimates that its annual cost to provide that education is over $23,000 per student. The committee is aware that DOD contracted with the RAND National Defense Research Institute to assess the options for providing K–12 education of military children residing on military installations in areas of the United States on which the Department of Defense Education Activity either operates schools or contracts with local education agencies to operate schools. The committee understands that RAND considered six alternatives for the provision of education to children attending those schools and provided its assessment to the Department in May 2015. The committee directs the Secretary of Defense to provide the RAND report

to the committee no later than September 1, 2016, together with the Department's views of the recommendations contained therein.

Department of Defense consultation with outside experts to improve sexual assault prevention and response programs

A November 2015 Government Accountability Office (GAO) report entitled "Sexual Assault: Actions Needed to Improve DoD's Prevention Strategy and to Help Ensure it is Effectively Implemented," found that "DoD has identified five performance measures to assess the effectiveness of its prevention efforts, but these measures are not fully developed as they are missing many of the 10 key attributes that GAO has found can contribute to assessing program performance effectively. . . ." GAO listed five recommendations, and according to the report, the Department of concurred with all of them.

As the Department implements reforms to address these recommendations and to improve the Department's sexual assault prevention and response strategy, the committee expects the Department to consult closely with outside experts in the field of sexual assault awareness, prevention, and response.

Department of Defense identity numbers

The committee recognizes the identity security issues that arise for members of Congress and their respective staff who deal with the Department of Defense (DoD) on a regular basis. Without DoD identify numbers, members of Congress and staff are required to provide their Social Security numbers for identification purposes on paperwork and to visit the Pentagon. Repeatedly divulging this information heightens the risk of identify theft, exacerbating the risk already faced by members of Congress. Therefore, the committee urges the DoD to provide an alternative option to identify these individuals, including issuing Department of Defense identity numbers to members of Congress or their staff who deal with the DoD on a regular basis, as this will also help standardize identification with the DoD employees.

Disclosure of Military Sexual Trauma During Separation Examinations

The committee understands that current Department of Defense policy requires all members of the military services who are scheduled to be separated from Active Duty after serving for 180 days or more to take a comprehensive Separation History and Physical Examination (SHPE). The purpose of the SHPE is to ensure all medical conditions incurred or aggravated during the servicemembers military service are identified and documented prior to separation or retirement from military service. The Department of Defense and the Department of Veterans Affairs have established a coordinated, standardized examination process that supports the VA disability compensation program and the DoD SHPE program. Under an agreement between DoD and VA, VA providers complete the examination for servicemembers who file a claim for VA benefits prior to discharge.

The committee is concerned that the current procedure followed by VA providers to conduct a SHPE discourages a servicemember who was the victim of military sexual trauma from disclosing the assault. Unlike Department of Defense health care providers, VA providers are not currently permitted to take a restricted report of a sexual assault. Separating servicemembers who have a VA-provided SHPE are instructed that any discussion about a sexual assault will be included in their Service Treatment Records and could change a restricted report to an unrestricted report.

The Committee is concerned that the inability of a servicemember to disclose military sexual trauma at the time of the SHPE undermines the purpose of the SHPE to produce a comprehensive record of all of the servicemember's medical conditions incurred or aggravated during military service and could compromise the ability of the servicemember to receive the full scope of VA benefits to which the servicemember is entitled. Furthermore, the Committee understands the personal strength and courage it requires for a victim of military sexual trauma to file a restricted or unrestricted report of a sexual assault, and the committee believes that no servicemember should be discouraged from reporting a sexual assault. The Committee believes that when barriers to reporting are identified every effort should be made to eliminate them.

The Committee directs the Secretary of Defense, in consultation with the Secretary of Veterans Affairs, to establish a policy that enables all Department of Defense and Department of Veterans Affairs health care providers who administer separation exams to take a restricted report of a sexual assault. The policy should also ensure that information regarding military sexual trauma that is received in connection with a restricted report of sexual assault can be appropriately considered for the purpose of disability benefits administered by the Department of Veterans Affairs.

DoD report on implementation of GAO recommendations on hazing

The GAO recently conducted a study to address the extent to which DOD and the Coast Guard, which falls under the Department of Homeland Security (DHS), have developed and implemented policies to address incidents of hazing, and have visibility over hazing incidents. The GAO made twelve recommendations in their report, among them that DOD and the Coast Guard regularly monitor policy implementation, issue guidance on the collection and tracking of hazing incident data, and evaluate the prevalence of hazing. DOD concurred with all twelve GAO recommendations and stated an intention to address them. The committee directs the Secretary of Defense to provide a report to the Committees on Armed Services of the Senate and the House of Representatives on the progress of their implementation of the GAO recommendations by the close of the fiscal year 2016.

Employment of members of the National Guard, Reserves, and veterans of the Armed Forces

The committee remains concerned about members of the National Guard, Reserves, and veterans of the Armed Forces finding civilian employment. The committee recognizes that the Secretary

of Defense, in coordination with the Department of Labor and the Department of Veterans Affairs, will submit this year to the Committees on Armed Services of the Senate and House of Representatives a report required by section 583 of the Carl Levin and Howard P. "Buck" McKeon National Defense Authorization Act for Fiscal Year 2015 (Public Law 113–291), on the feasibility of improving the efforts of the Department of Defense to provide job placement assistance and related employment services to members of the reserve components. The committee is committed to reviewing that report and taking any recommended actions to improve the processes by which members of the National Guard, Reserves, and veterans of the Armed Forces may find and obtain civilian employment.

Enhancing the capabilities of Army military intelligence personnel

The committee is concerned that as the Army continues its efforts to regionally align its forces, the U.S. Army Human Resources Command does not have a way to quickly administratively identify its military intelligence personnel who have experience and expertise relevant to specific geographical regions of the world.

Furthermore, as the Department of Defense continues its efforts to provide unique broadening assignments and opportunities to servicemembers, the committee urges the Department to place special focus in providing opportunities to military intelligence servicemembers as a way to enhance the capabilities of the military intelligence corps and provide the Army with the ability to quickly identify personnel who have had regionally focused or overseas assignments, language proficiency, and relevant advanced degrees.

In order to enhance our military intelligence capabilities, the committee urges the Army to create a regional focus identifier for military intelligence personnel to provide the Army with a greater ability to assign or surge servicemembers to support missions in specific geographical regions of the world where certain military intelligence servicemembers are best suited through their military, academic, and other relevant experience.

Enlisted representation

The committee directs the Secretary of Defense to appoint senior noncommissioned officers (in the pay grades of E7, E8, or E9) as members on Department of Defense boards, panels, or bodies of a similar nature, where the topic involves the consideration of compensation and benefits (including pay and allowances, health care, retirement, and other benefits) of enlisted members of the Armed Forces.

F–35A maintainer shortage report

The committee is aware of the aircraft maintainer shortage that is impacting the stand up of F–35A squadrons and impacting the combat readiness and sustainment of all other Air Force squadrons. As a result of this shortage, the USAF is hiring contract maintainers through 2019 in non-deploying squadrons in order to ensure the Air Force is able to stand up new F–35A squadrons, as well as meet basic operations and maintained schedule for training

and combat missions across the entire inventory. While the committee is supportive of increasing the number of USAF aircraft maintainers in order to fill the shortage of active-duty maintainers across the force, the committee remains concerned about a long-term plan to address these shortages. The contract maintainers will only meet the Air Force requirements through 2019. Beyond 2019, the Air Force still has a total force aircraft maintainer shortfall, and will need to access at least 4,000 active duty maintainers to replace the contract maintainers, maintain the training pipelines, reduce the deploy-to-dwell ratio, and maintain the Congressionally mandated 1,950 fighter aircraft floor.

To address this shortfall, the committee recommends that the Air Force should thoroughly assess and consider the number of additional active duty, guard, and reserve maintainers that they need in order to meet full-spectrum readiness across the entire force.

Therefore, the committee directs the Secretary of the Air Force to develop a plan to increase or reallocate authorized end strength, to include in the reserve components and to give consideration to the most effective and efficient use of the total force, to ensure that installations receiving new F–35As across the Air Force post-2019 have the necessary maintainers to ensure their operation. The committee directs the Secretary to provide a written plan to the congressional defense committees no later than 90 days following the enactment of this Act.

Impact of basic allowance for housing changes on the Military Housing Privatization Initiative

The committee notes that recent changes in the basic allowance for housing (BAH), as requested by the Department of Defense, were implemented without an appropriate level of consideration on the impact such changes would have on military housing privatization initiative (MHPI) projects. The committee notes that elsewhere in this Act, reforms to the basic allowance for housing that take into account actual costs should be applied equally to MHPI projects. The Department of Defense has continued to view the BAH as compensation, and has thus treated it like a piggy bank to return to for savings by slicing percentages across the board. However, this committee wishes to preserve the tax-free allowance for housing, taking into account dependency status and those living in MHPI projects and the actual costs of the value of that housing. The BAH is intended to provide housing as an in-kind benefit to service members, a benefit which should not involve increased costs to those members living in the Department of Defense contracted MHPI projects.

The committee directs the Comptroller General of the United States, by August 1, 2017, to conduct an audit of each MHPI project in the United States to assess the solvency of each project and the impact recent changes to BAH may have on the long-term sustainability of such projects.

Military to mariner transition

Some industry experts project that the commercial maritime industry will face a shortfall of workers over the coming decade. The Navy and the Maritime Administration rely on the availability of

merchant mariners to crew the Ready Reserve Force ships in wartime. The Committee therefore urges the Department of Defense (DOD) to work with relevant stakeholders, including the Maritime Administration and the Coast Guard, to assess whether a shortage is likely, and to develop plans to address a potential merchant mariner shortage if such a shortage is predicted.

The Committee recognizes the ability of transitioning servicemembers with maritime experience to help fill this void, and that DOD could take steps to assist transitioning servicemembers in receiving credentials for maritime service in the private sector. The Committee recommends that DOD do the following: (1) maximize the transferability of active duty military servicemembers' career skills to similar civilian merchant marine industry positions by aligning, where possible, required knowledge, skills, and abilities for military positions with knowledge, skills, and abilities for certification for maritime careers; and (2) develop a military skills translator that could relate military qualifications to equivalent commercial certifications, identify gaps in current resources available to help servicemembers transition to the merchant marine industry, as well as provide courses and training to address qualification discrepancies.

Pilot deficiencies

It is the sense of the Senate that the services may not be taking adequate action to remedy the shortfall of fighter pilots in the near and long term. The Air Force is currently short more than 500 fighter pilots, and expects this to surpass 800 by 2022. Some other Air Force pilot communities, particularly the remotely piloted aircraft community, also have shortages, while there are more pilots than needed to meet requirements in other communities. The Navy, while meeting current requirements, also anticipates a fighter pilot shortfall in the early 2020s.

The Committee directs the Comptroller General of the United States to conduct a report on available force management tools, as well as how these tools are used by military services with pilots, to manage their pilot accessions and force management priorities to right size their different communities. The Committee encourages the Comptroller General of the United States to provide a detailed account of all approaches currently taken by services and recommend regulatory or process changes to service force management practices, as warranted, as well as appropriate statutory changes.

Process required for adjudication of suspension or termination of institutions with a voluntary education partnership memoranda of understanding with Department of Defense

The committee is concerned that Department of Defense Instruction (DODI) 1322.25 does not provide adequate administrative procedures for the fair and expeditious adjudication of complaints about educational institutions that have entered into a memorandum of understanding (MOU) with DOD for a Voluntary Education Partnership. As a result, there is no clear guidance on the rights and responsibilities of the DOD or of the educational institu-

tion prior to and following a DOD decision to suspend or terminate a MOU. The committee directs the Secretary of Defense, not later than December 30, 2016, to modify the DODI 1322.25 to delineate administrative procedures that would ensure that such complaints are resolved fairly and expeditiously and establish guidance on the rights and responsibilities of the DOD and the subject educational institutions after such a complaint has been made.

Religious accommodation in the military

The committee commends the Army on recent decisions to grant religious accommodation to soldiers of the Sikh faith that will allow these soldiers to faithfully serve the Army while adhering to the tenets of their faith. The committee strongly encourages all the military services to provide accommodations such as those provided to these soldiers to the maximum extent possible. The committee believes any restriction based on the health and safety of the force must be narrowly drawn and objectively imposed on a factual case-by-case basis. Further, the committee does not consider that so-called uniformity of appearance, in isolation from other factors, remains a compelling government interest in the context of a force as varied and diverse as ours. Indeed, over the past 15 years our military has operated in areas of the world where the predominant religions require articles of faith be worn, or hair be worn unshorn. The committee concludes that the greater and more compelling interest is to allow our servicemembers to demonstrate in full view the diversity of the United States military.

The committee strongly encourages the Department and the military services to formally adopt policies that allow for the consideration of requests for religious accommodation prior to enlistment or commissioning and allow such accommodations, once granted, to remain in effect for the servicemember throughout a career. This will ease administrative burden of processing these requests and will empower commanders to consistently apply clear and operationally relevant standards. Most importantly, it will provide peace of mind and certainty for service members who have served and continue to serve their nation faithfully.

Report on litigation billets

Based on the need to retain senior judge advocates with litigation experience, the Secretaries of the military departments should study the feasibility of designating military justice litigators as eligible for continuation under subsection (a) of section 503 of this Act. The Secretaries shall also submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the manner in which the judge advocates general corps under the jurisdiction of such Secretary (and, in the case of the Marine Corps, the judge advocate command element) would best be organized and staffed to provide billets for judge advocates in grades 0–5 and 0–6 who have experience as courtroom litigators in order to provide such corps with an adequate pool of experienced litigators to serve as trial counsel and defense counsel in general courts-martial for the prosecution of violent offenses under chapter 47 of title 10, United States Code (the Uniform Code of Military Justice). If additional billets are required to provide a corps with such a pool

of litigators, the report on such corps shall specify the number of additional billets so required.

Sexual assault prevention strategy

A November 2015 report by the Government Accountability Office evaluating the Department of Defense's (DoD) sexual assault prevention strategy cites several shortfalls. The report recommends that the Department implement a comprehensive evidence-based approach to determine the success of prevention-focused activities. The committee directs the Secretary of Defense to provide a report on how it will address the issue of sexual assault prevention, and encourages DoD to seek expertise from outside experts to validate the approach the Department is taking.

Space available seating for veterans with service-connected disabilities

The committee continues to support the Department of Defense's (DoD) program to provide transportation on aircraft on a space-available basis for eligible individuals. The committee recognizes that the department has the authority to include veterans with service-connected disabilities in the space available program. If there is excess capacity on some space available flights, the committee encourages the department to assess the feasibility and advisability of providing access to the space available program for veterans with 100% service-connected, permanent disability.

Transition Assistance Program and reserve component members

The committee is concerned that the Transition Assistance Program (TAP) sometimes fails to meet the unique needs of National Guard and Reserve members returning from an active-duty deployment, especially the needs of those who have deployed, and transitioned, multiple times, which oftentimes results in an unnecessary duplication of TAP required attendance. The committee directs the Secretary of Defense to collect data about National Guard and Reserve members' transition experiences and to make recommendations to the committee on how to better serve the transition needs of this population, or alternatively to suggest a transition program specifically designed for the National Guard and Reserve.

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

Subtitle A—Pay and Allowances

Fiscal year 2017 increase in military basic pay (sec. 601)

The committee recommends a provision that would authorize a pay raise of 1.6 percent for all members of the uniformed services effective January 1, 2017.

Publication by Department of Defense of actual rates of basic pay payable to members of the Armed Forces by pay grade for annual or other pay periods (sec. 602)

The committee recommends a provision that would direct the Department of Defense to ensure that pay tables of basic pay for members of the uniformed services published by the Department reflect the operation of the pay cap contained in section 203(a)(2) of title 37, United States Code, to more accurately reflect the rates of basic pay that may actually be received by service members whose basic pay is affected by that cap.

Extension of authority to provide temporary increase in rates of basic allowance for housing under certain circumstances (sec. 603)

The committee recommends a provision that would extend for 1 year the authority of the Secretary of Defense to temporarily increase the rate of basic allowance for housing in areas impacted by natural disasters or experiencing a sudden influx of personnel.

Reform of basic allowance for housing (sec. 604)

The committee recommends a provision that would reform the basic allowance for housing (BAH) benefit for members of the uniformed services, applicable January 1, 2018. The provision would require a system that utilizes actual costs up to a maximum allowable amount. No service member will see a change in their allowance until such time as they undergo a permanent change of duty station outside their military housing area after January 1, 2018. The committee notes with disappointment the March 2016 Department of Defense report submitted in response to the Congressionally-directed reporting requirement contained in the Joint Explanatory Statement accompanying the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92). This directive required the Department to assess how best to modify the current BAH system to accurately capture actual housing costs. The Department, however, expressed its opposition to limiting BAH to actual housing costs and views BAH as simply another form of compensation. The Department includes BAH, a tax-free housing ben-

efit, as a part of its calculation of "Regular Military Compensation," which it uses as an approximation of a civilian salary, and indeed, makes this comparison in determining the adequacy of military pay.

The committee has concerns about how BAH, as an entitlement, and the perception of BAH among servicemembers, has evolved over the past 20 years. BAH, and the iterations of the benefit that came before, was intended to provide a housing benefit for service members in recognition of the transient nature of military service, and in further recognition of the reality that civilian spouses are often unemployed and sacrifice careers of their own. Indeed, that the housing allowance was and is intended as primarily a housing benefit is demonstrated by its tax-free nature, the differentiation based on dependency status, and the fact that servicemembers occupying government quarters, including junior enlisted personnel required to reside in barracks or on a ship, are ineligible to receive BAH. This disconnect between what the allowance is for and how it is promoted and perceived is exacerbated by the significant increases in the benefit over the past 16 years. While servicemembers paid as much as 22 percent of their housing costs out of pocket in the decades preceding the change to the current system in the late 1990s, by 2006, out-of-pocket expenses were eliminated entirely, and indeed, in certain circumstances, as demonstrated by a recent US Army Audit Agency (USAAA) audit, the benefit now far exceeds the actual cost of housing borne by some servicemembers. USAAA found that BAH entitlements paid to married servicemembers collocated in the same military housing area significantly exceeded the local housing costs for these servicemembers by more than $200 million in fiscal year 2014 alone, and recommended modifying BAH to bring actual costs more in line with the provided benefit.

For the forgoing reasons, the committee recommends substantial reform of the housing benefit. Accordingly, the Secretary of Defense is directed to submit to the Committees on Armed Services of the Senate and the House of Representatives no later than March 1, 2017, a report that describes the new BAH calculation will be implemented. Such a report shall include the following elements: (1) proposed regulations that the Secretary of Defense will implement for the purpose of administering the basic allowance for housing inside the United States consistent with this provision; (2) any legislative changes the Secretary believes are necessary to execute this change in application of the BAH; (3) an analysis of whether a system that establishes a single rate, similar to the basic allowance for subsistence, as applied by rank and grade nation-wide with a variable allowance for high-cost areas would be a preferred option for BAH delivery as an alternative to this provision; and (4) an assessment of the impact of these changes on retention and overall military compensation, particularly pertaining to members who reside with other members and members who share accommodations.

Repeal of obsolete authority for combat-related injury rehabilitation pay (sec. 605)

The committee recommends a provision that would repeal section 328 of title 10, United States Code, relating to an obsolete authority for combat-related injury rehabilitation pay.

Subtitle B—Bonuses and Special and Incentive Pays

One-year extension of certain bonus and special pay authorities for reserve forces (sec. 611)

The committee recommends a provision that would extend for 1 year the authority to pay the Selected Reserve reenlistment bonus, the Selected Reserve affiliation or enlistment bonus, special pay for enlisted members assigned to certain high-priority units, the Ready Reserve enlistment bonus for persons without prior service, the Ready Reserve enlistment and reenlistment bonus for persons with prior service, the Selected Reserve enlistment and reenlistment bonus for persons with prior service, travel expenses for certain inactive-duty training, and income replacement for reserve component members experiencing extended and frequent mobilization for Active-Duty service.

One-year extension of certain bonus and special pay authorities for health care professionals (sec. 612)

The committee recommends a provision that would extend for 1 year the authority to pay the nurse officer candidate accession bonus, education loan repayment for certain health professionals who serve in the Selected Reserve, accession and retention bonuses for psychologists, the accession bonus for registered nurses, incentive special pay for nurse anesthetists, special pay for Selected Reserve health professionals in critically short wartime specialties, the accession bonus for dental officers, the accession bonus for pharmacy officers, the accession bonus for medical officers in critically short wartime specialties, and the accession bonus for dental specialist officers in critically short wartime specialties.

One-year extension of special pay and bonus authorities for nuclear officers (sec. 613)

The committee recommends a provision that would extend for 1 year the authority to pay the special pay for nuclear-qualified officers extending period of active service, the nuclear career accession bonus, and the nuclear career annual incentive bonus.

One-year extension of authorities relating to title 37 consolidated special pay, incentive pay, and bonus authorities (sec. 614)

The committee recommends a provision that would extend for 1 year the general bonus authority for enlisted members, the general bonus authority for officers, special bonus and incentive pay authorities for nuclear officers, special aviation incentive pay and bonus authorities for officers, and special bonus and incentive pay authorities for officers in health professions, and contracting bonus for cadets and midshipmen enrolled in the Senior Officers' Training Corps. The provision would also extend for 1 year the authority to

pay hazardous duty pay, assignment or special duty pay, skill incentive pay or proficiency bonus, and retention incentives for members qualified in critical military skills or assigned to high priority units.

One-year extension of authorities relating to payment of other title 37 bonuses and special pays (sec. 615)

The committee recommends a provision that would extend for 1 year the authority to pay the aviation officer retention bonus, assignment incentive pay, the reenlistment bonus for active members, the enlistment bonus, precommissioning incentive pay for foreign language proficiency, the accession bonus for new officers in critical skills, the incentive bonus for conversion to military occupational specialty to ease personnel shortage, the incentive bonus for transfer between Armed Forces, and the accession bonus for officer candidates.

Conforming amendment to consolidation of special pay, incentive pay, and bonus authorities (sec. 616)

The committee recommends a provision that would amend section 332 of title 10, United States Code, to correct an inequity that will exist when the Department transitions to a general bonus authority on October 1, 2017. This amendment will increase the maximum bonus authority under the new general bonus authority to $20,000 to match the maximum bonus level under the old authority. Maintaining the current bonus level will enable the Services to retain the ability to recruit and retain reserve component officers.

Subtitle C—Travel and Transportation Allowances

Maximum reimbursement amount for travel expenses of Reserves to attend inactive duty training outside of normal commuting distance (sec. 621)

The Committee recommends a provision that would amend section 478a(c) of title 37, United States Code, to allow for a higher reimbursement amount on a case-by-case basis for certain members of the Reserve component traveling to attend inactive duty training outside of normal committing distances.

Period for relocation of spouses and dependents of certain members of the Armed Forces undergoing a permanent change of station (sec. 622)

The committee recommends a provision that would add a new section 1784b of title 10, United States Code, to provide greater flexibility for families to determine the sequencing of permanent change of station moves when the member and family must move separately to accommodate particular circumstances requiring such a division, including the accommodation of dependent educational obligations and spousal employment and education needs. The provision would also require the Comptroller General to submit to Congress within one year after the enactment of this Act a report assessing potential actions of the Department of Defense to enhance the stability of military families undergoing permanent changes of station.

Subtitle D—Disability Pay, Retired Pay, and Survivor Benefits

Part I—Amendments in Connection With Retired Pay Reform

Election period for members in the service academies and inactive Reserves to participate in the modernized retirement system (sec. 631)

The committee recommends a provision that would amend section 1409 of title 10, United States Code, to clarify the timing for cadets and midshipmen at the service academies to opt-in to the new military retirement system enacted in the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92). The provision would also clarify the timing of such elections for reservists who are on Inactive Duty during the election period otherwise provided for under the new retirement system.

Effect of separation of members from the uniformed services on participation in the Thrift Savings Plan (sec. 632)

The committee recommends a provision that would repeal paragraph (2) of section 632(c) of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92). This amendment makes a technical correction for the new military retirement plan enacted in that Act relative to defining separation from service under the Thrift Savings Plan.

Continuation pay for members who have completed 8 to 12 years of service (sec. 633)

The committee recommends a provision that would amend section 356 of title 37, United States Code, to modify the continuation pay for members under the new military retirement system enacted in the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92) to provide the Secretary of Defense with the flexibility to offer continuation pay in the window between 8 and 12 years of service in exchange for a 3 years of service or greater commitment as the Secretary deems appropriate for retention.

Combat-related special compensation coordinating amendment (sec. 634)

The committee recommends a provision that would amend section 1413a of title 10, United States Code, to make a technical and conforming amendment to Combat-Related Special Compensation, to bring that authority in line with the new military retirement system enacted in the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92).

Sense of the Congress on Roth contributions as default contributions of members of the Armed Forces participating in the Thrift Savings Plan under retired pay reform (sec. 635)

The committee recommends a provision which states the sense of the Congress that the Department of Defense should explore making the default contributions of a full Thrift Savings Plan member under the new military retirement plan enacted in the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92) to be designated as Roth contributions until the member elects not to designate such contributions as Roth contributions. The Congress believes this will benefit and aid enlisted and junior troops in saving for their retirement.

Part II—Other Matters

Extension of allowance covering monthly premium for Servicemembers' Group Life Insurance while in certain overseas areas to cover members in any combat zone or overseas direct support area (sec. 641)

The committee recommends a provision that would amend section 437 of title 37, United States Code, to expand the areas eligible for the allowance for covering monthly premiums for the Servicemembers' Group Life Insurance to include any designated combat zone or an area directly supporting a designated combat zone.

Use of member's current pay grade and years of service, rather than final retirement pay grade and years of service, in a division of property involving disposable retired pay (sec. 642)

The committee recommends a provision that would amend section 1408 of title 10, United States Code, to modify the division of military retired pay in a divorce decree to the amount the member would be entitled based upon the member's pay grade and years of service at the time of the divorce rather than at the time of retirement with the spousal share of the retired pay computed on the retired pay as adjusted by the annual increases in military pay. This provision is prospective only and would not affect existing divorce settlements.

Permanent extension of payment of special survivor indemnity allowances under the survivor benefit plan (sec. 643)

The committee recommends a provision that would amend section 1450 of title 10, United States Code, to permanently extend the authority to pay the Special Survivor Indemnity Allowance at the monthly rate currently payable for fiscal year 2017.

Authority to deduct Survivor Benefit Plan premiums from combat-related special compensation when retired pay not sufficient (sec. 644)

The committee recommends a provision that would amend section 1452 of title 10, United States Code, to authorize the deduc-

tion of Survivor Benefit Plan (SBP) premiums from monthly combat related special compensation (CRSC) when retired pay is insufficient to cover the premiums.

The committee notes that under current SBP law, only a member's retired pay may be reduced for payment of the SBP premiums. In the event that the amount of the required premium deductions exceeds the amount of retired pay available to be reduced, there is no statutory authority to reduce the combat-related special compensation. Instead, the Defense Finance and Accounting Service (DFAS) must pay the full amount of CRSC to the member, and the member must then remit the SBP premium payment separately back to DFAS. This provision would allow for the deduction of SBP premiums from CRSC when the member is in receipt of both retired pay and CRSC so that the member does not have the extra administrative burden of paying the government through a separate check and risking interest accrual on such payments.

Sense of the Congress on options for members of the Armed Forces to designate payment of the death gratuity to a trust for a special needs individual (sec. 645)

The committee recommends a provision that would express the Sense of the Congress that the Department of Defense should explore options to allow servicemembers to designate that, upon their death, the death gratuity may be paid to a trust that is legally established under any federal, state, or territorial law. This would provide greater financial and estate planning capability for a servicemember to provide for those who require the protections of a trust, such as minor children or incapacitated adults, or those with special needs.

Independent assessment of the Survivor Benefit Plan (sec. 646)

The committee recommends a provision that would require the Secretary of Defense to provide for an independent assessment of the Department of Defense Survivor Benefit Plan (SBP) by a federally-funded research and development center (FFRDC). The assessment conducted shall include, but not be limited to, the following: (A) A statement of the purposes behind the SBP, how that program interacts with other federal programs to provide for survivors of military members and retirees, and a comparison with civilian sector benefits offered to both government and private sector employees intended to provide financial stability and resources for spouses and other dependent individuals when a primary family earner dies; (B) The effectiveness of the SBP in providing survivors with intended benefits, including the provision of survivor benefits for survivors of members dying on Active Duty and those in a reserve status; and (C) Whether the provision of survivor benefits might be better accomplished through alternative insurance products available commercially for similar purposes, to what extent the Government may subsidize such a product so that there are no increased costs to the Government, and the extent to which such products might meet the needs of survivors, especially those on fixed incomes, to maintain financial stability. Not later than 1 year after the date of the enactment of this Act, the Secretary shall submit

a report on the independent assessment to the Committees on Armed Services of the Senate and House of Representatives containing the findings of the assessment, together with comments by the Secretary on the assessment and recommended statutory changes, if any.

Subtitle E—Commissary and Non-Appropriated Fund Instrumentality Benefits and Operations

Protection and enhancement of access to and savings at commissaries and exchanges (sec. 661)

The committee recommends a provision that would amend sections 2481, 2483, 2484, and 2487 of title 10, United States Code, to require the Secretary of Defense to develop and implement a comprehensive strategy to optimize management practices across the defense commissary system and the exchange system that reduces their reliance on appropriated funding without reducing benefits to commissary patrons or revenues generated by non-appropriated fund entities. This provision would authorize the Secretary to carry out an alternative pricing program, evaluated against specific, measurable benchmarks and a documented baseline level of savings, within the defense commissary system to establish prices for goods and services in response to market conditions and customer demand. Furthermore, the provision would authorize the Secretary to convert the commissary system to a non-appropriated fund entity or instrumentality if the Secretary determines that the alternative pricing program met established benchmarks for success for a period of at least 6 months. If conversion to a non-appropriated fund entity or instrumentality occurs, the Secretary would ensure that no employee of the defense commissary system, as of the date of enactment of this Act, would incur a loss or decrease in pay resulting from the conversion. This provision would also authorize the Secretary of Defense to establish common business processes, practices, and systems to optimize the operations of the entire defense resale system, including authorizing the use of appropriated and non-appropriated funds on contracts or agreements for the acquisition of common systems. Finally, the provision would authorize the Secretary to supplement appropriated funds for defense commissary system operations with additional funds derived from improved management practices and the alternative pricing program.

Pilot program on privatization of the Defense Commissary System (sec. 662)

The committee recommends a provision that would require the Secretary of Defense, within 180 days after the date of enactment of this Act, to conduct a pilot program, of not less than 2 years and at no more than five commissaries, assessing the feasibility and advisability of privatization of the Defense Commissary System. The provision would authorize the Secretary to include such elements as necessary to assess the feasibility and advisability of privatization. In conducting the pilot program, the Secretary may include an online component such that eligible beneficiaries may order and purchase goods and products through the Internet and receive

those items through home delivery. The provision would require the Secretary to establish specific, measurable benchmarks of success for the provision of high quality grocery merchandise, discount savings to patrons, and customer satisfaction. Within 180 days after completion of the pilot program, the Secretary would submit a report to the Committees on Armed Services of the Senate and the House of Representatives that, with other report requirements, provides an assessment of the feasibility and advisability of privatizing the Defense Commissary System.

Subtitle F—Other Matters

Compliance with domestic source requirements for footwear furnished to enlisted members of the Armed Forces upon their initial entry into the Armed Forces (sec. 671)

The committee recommends a provision that would require the Secretary of Defense to furnish athletic footwear directly to members of the Army, Navy, Air Force, and Marine Corps instead of providing a cash allowance. Such footwear must comply with section 2533a of title 10, United States Code.

Authority for payment of pay and allowances and retired and retainer pay pursuant to power of attorney (sec. 672)

The committee recommends a provision that would amend section 602 of title 37, United States Code, to authorize payment of certain pay and allowances of a servicemember or retired servicemember to an individual to whom the member has granted authority to manage these funds pursuant to a valid and legally executed durable power of attorney. This proposal will enable members to responsibly and proactively plan their personal affairs in the event of their incapacitation, and to allow those durable powers of attorney to be recognized by the military departments and the Department of Defense.

The provision would also amend section 602 of title 10, United States Code, to require a bond only in the case of a person acting for the benefit of the incapacitated member who is designated by the secretary concerned under this section, and only if the amount of payments would be more than $25,000.

Items of Special Interest

Military forty-year pay table revision advisability report

The Committee directs the Secretary of Defense to submit to the Committees on Armed Services of the Senate and House of Representatives no later than March 1, 2017, a study on the advisability and feasibility of reforming the 40-year pay table and retirement benefit to cap retired pay based on the highest grade achieved, irrespective of years of service performed. Such a structure would allow only members of the highest rank and highest years of service to earn the highest retirement benefit. Caps should be considered separately for commissioned and non-commissioned officers, warrant officers, and enlisted personnel. This study should

include an assessment of cost savings, impact to morale and retention, secondary effects to promotion rates, and benefits to force management. This study shall also consider cost-saving measures that still allow a member with 20 years of total service to retire but prevent officers with prior enlisted service to use non-commissioned time served to increase their retirement percent eligibility. It should also consider the suitability of special pay or bonuses as a retention tool as an alternative to increasing the retired pay multiplier, to compensate specific occupational specialties such as chaplains and limited duty officers, specialties that have limited promotion rates but great longevity benefits.

The Committee report accompanying the National Defense Authorization Act for 2015 (P.L. 114–92) directed the Secretary of Defense to review the military's pay tables, focusing on whether the 40-year pay table was still justified as a retention tool. The Department of Defense stated it opposed reverting back to the 30-year pay table because the 40-year pay table accomplishes the Department of Defense's objectives of fielding an experienced and ready force capable of retaining its most senior members. Although an analysis showed that the Department of Defense did experience greater retention of general and flag officers and senior non-commissioned officers, the most significant percentage increases in service over 30 years were in the group of field grade officers. At an additional cost of $1.2 billion per year and growing, cost-saving reforms need to be investigated to keep the 40-year pay table. These reforms must ensure that the increased incentives inherent to the 40-year pay table targets groups that have experienced the greatest retention challenges.

TITLE VII—HEALTH CARE PROVISIONS

Military health system reform overview

In January 2015, the Military Compensation and Retirement Modernization Commission provided the Congress its recommendations to modernize the military compensation and retirement systems. Building on those recommendations, the committee achieved enactment of historic reforms to the military retirement system in the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92). These reforms expanded retirement benefits to the majority of military servicemembers excluded under the old system while saving taxpayers approximately $13.0 billion in discretionary spending over the next 10 years and approximately $12.0 billion per year in steady state mandatory spending. Modernizing the military retirement system demonstrated that true reform can deliver better and expanded benefits to military servicemembers while saving taxpayer dollars.

In addition to its recommendations to modernize the military retirement system, the Commission recommended major reform of the military health system. Those recommendations offered a plan to improve and sustain operational medical force readiness, improve access to care, and expand beneficiaries' choices of health plans.

The committee has taken a very deliberate approach to enacting major military health system reform legislation. For more than a year, the committee has worked diligently to understand the implications and unintended consequences of any plan to reform the military health system a large, complex health program with over 9.4 million eligible beneficiaries. During this time, the committee held hearings with civilian healthcare experts and Department of Defense (DOD) officials, studied the attributes of high-performing civilian health systems, examined many published reports on military and civilian healthcare, visited military treatment facilities, held numerous meetings with military and veterans service organizations, and conducted sensing sessions with military and civilian hospital personnel. Most importantly, the committee visited with beneficiaries to better understand their current experiences with the military health system and to determine whether the existing system meets their needs. This extensive work has made invaluable contributions to the committee's oversight of the military health system.

Since 2001, battlefield injury survival rates have been higher than at any time in our nation's history. The committee applauds military healthcare personnel for professionally and compassionately caring for wounded, ill, and injured servicemembers over the last 15 years. Clearly, battlefield medicine is a pocket of excellence in the military health system that must be maintained.

However, it is also clear that the military health system, designed decades ago, has increasingly emphasized delivering peacetime healthcare at the expense of strengthening operational medical force readiness. Prior to 2001, medical force readiness suffered immeasurably, forcing the military Services to build a more robust combat casualty care capability to meet the demands of the wars in Afghanistan and Iraq. For example, the committee understands that OB/GYN physicians substituted as trauma surgeons in combat theaters because the Services had too few qualified trauma surgeons to meet combatant command requirements.

Bloated medical headquarters staffs—over 12,000 persons strong—have failed to take quick action on what needs to be fixed in the direct care component of the military health system. Despite the lack of additional capacity to enroll patients in bottle-necked primary care clinics, beneficiaries continue to be forced to receive care at military hospitals. The Services claim they need more patients in their hospitals to maintain medical force readiness, but the most common health services performed by military providers relate to pregnancy, childbirth, and pediatric care—health services not typically necessary to ensure medical force readiness training.

In addition, the current stove-piped military health system command structure leads to inevitable turf wars among the military Services and the Defense Health Agency, paralyzing decision-making and stifling healthcare innovation. Data show that military healthcare providers have much lower productivity than their comparable civilian counterparts, which severely limits beneficiaries' access to healthcare services. Although set at an unreasonably low level, DOD's productivity goal for physicians—40 percent of the Medical Group Management Association median—cannot be met by many military medical providers. While some lower productivity should be expected due to unique medical force readiness training requirements, the committee does not believe that these requirements should hinder productivity significantly.

Moreover, a recent study shows that the Services underestimate the true costs of officer and enlisted medical personnel compared to the total costs for government civilians and contractors. The study concluded that the complete cost to the taxpayer of military medical personnel far exceeded the cost of civilian healthcare providers with comparable skills. Data also show that the total cost to provide healthcare services in military treatment facilities is greater than the cost of providing the same types of services in the private sector yet the Department continues to advocate that military treatment facilities are less expensive than private sector facilities.

The private sector component of the military health system is not without its own flaws. Beneficiaries complain about the cumbersome authorization and referral process for specialty care and a lack of access to care in large TRICARE provider networks. The current TRICARE program's myriad outmoded regulations and policies focus on "the system" rather than doing the right thing for beneficiaries. TRICARE's obsolete medical support contract strategy results in high acquisition costs, routine bid protests, implementation delays, high management costs, and costly contract extensions. Under those contracts, the Department, and ultimately the taxpayers, remain solely at risk for the cost of all healthcare

services provided, and the rigid adherence to fee-for-service provider reimbursement fails to encourage individual and institutional network providers to provide higher quality care, better access to care, and higher patient satisfaction at lower costs to the Department and the taxpayers.

As the committee formulated its defense health reform initiatives, we determined not to increase TRICARE fees unless we could create more value—provide higher quality care, better access to care, and a better experience of care. Based on the above findings and many others, the committee developed a comprehensive legislative package that would provide a gold-standard, integrated healthcare delivery system, creating high value for all beneficiaries. The committee mark contains numerous provisions to meet the following reform objectives of the committee. Improve and maintain operational medical force readiness: (1) creates specialized care centers of excellence at major military medical centers; (2) expands military-civilian trauma training sites and requires integrated trauma team training; (3) requires establishment of personnel management plans for important wartime medical specialties; (4) requires development of quality of care outcome measures for combat casualty care; (5) requires greater focus on medical research to understand better the causes of morbidity and mortality of service men and women in combat; (6) requires development of a trauma care registry; (7) requires development of standardized tactical combat casualty care training; and (8) expands eligibility for care in military treatment facilities to veterans and certain civilians.

Enhance access to high quality healthcare: (1) creates local high-performing military-civilian integrated health delivery systems; (2) expands telehealth capabilities in the military health system; (3) creates specialized care centers of excellence at major military medical centers; (4) requires contracts for turn-key primary care/urgent care clinics at military treatment facilities; (5) authorizes a pilot program to give commercial health insurance coverage to reserve component members and their families; and (6) requires a standardized medical appointment system across the military health system.

Improve beneficiaries' health outcomes: (1) increases beneficiary involvement and shared responsibility to improve health outcomes and to lower costs—targets smoking cessation and weight reduction; (2) incentivizes participation in disease management programs; and (3) and incentivizes use of high-value providers.

Create health value: (1) expands and improves access to care by requiring a standardized appointment system in military treatment facilities; (2) expands the full range of telehealth services available to beneficiaries; (3) authorizes lower co-payments for high-value pharmaceuticals and medical services; (4) eliminates the requirement for pre-authorization for specialty care referrals; (5) requires a plan to improve pediatric care and related services; (6) incentivizes participation in disease management programs; (7) authorizes enrollment of eligible beneficiaries in federal dental and vision insurance programs managed by the Office of Personnel Management; (8) authorizes new TRICARE health plans; and (9) eliminates existing cost-shares for services provided under the current

TRICARE Standard plan and replaces them with fixed co-payments to lower overall costs for beneficiaries.

Modernize TRICARE medical support contracts: (1) incorporates value-based healthcare methodology and value-based provider reimbursement into TRICARE contracts; (2) expands access to the full range of telehealth capabilities; (3) allows contractors to use the latest innovations in the private sector health plan market; (4) transfers financial risk to contractors and healthcare providers; (5) focuses contracts on building networks of high-value providers; and (6) requires a competitive, continuously open contracting strategy.

Drive efficiencies and eliminate waste: (1) right-sizes the footprint of the military health system to meet operational medical force requirements and the medical readiness of the Armed Forces; (2) realigns the medical command structure and shrinks headquarters staffing creating greater efficiency in the management of the military health system; (3) eliminates graduate medical education training programs not directly supporting operational medical readiness requirements and the medical readiness of the Armed Forces; (4) authorizes conversion of military healthcare provider positions to civilian or contractor positions; (5) requires a multi-year study by the Comptroller General of the United States to find healthcare waste throughout the military health system; (6) requires centrally-managed, performance-based professional staffing contracts; and (7) modernizes TRICARE medical support contracts.

Lower the per capita costs of healthcare for DOD and beneficiaries: (1) authorizes very modest increases in existing single and family annual enrollment fees by $68 and $135 respectively for working-age military retirees; (2) authorizes changes to co-payments for medical services but allows DOD to lower co-payments for high-value services and raise co-payments for low-value services; (3) increases pharmacy co-payments incrementally over a 9-year window but authorizes DOD to give preferential status to any non-generic pharmaceutical agent on the uniform formulary by establishing the same co-payment as the co-payment of a generic product under the retail and mail order programs; (4) authorizes appointment no-show fees in military treatment facilities; and (5) incentivizes participation in disease management programs.

Demand performance accountability: (1) establishes performance accountability for military healthcare leaders throughout the military health system; (2) establishes rigorous criteria for selection of military treatment facility commanders; and (3) establishes minimum lengths of tours of duty for military treatment facility commanders.

The committee believes these significant reforms constitute a critical first step in the evolution of the military health system from an under-performing, disjointed health system into a high-performing integrated health system that gives beneficiaries what they need and deserve: the right care at the right time in the right place. True transformation, however, will require a cultural change across the entire military health system—a change from a system-first culture to a patient-first culture. Such a cross-service cultural shift is essential to building trust with beneficiaries and creating health value for them. The committee expects military health sys-

tem leaders and their private sector partners to begin immediately advancing a patient-first culture throughout the military health system.

Subtitle A—Tricare and Other Health Care Benefits

Reform of health care plans available under the TRICARE program (sec. 701)

The committee recommends a provision that would amend chapter 55 of title 10, United States Code, to reform health care plans available under the TRICARE program. The provision would establish three health plan choices for families of Active-Duty servicemembers, and retired military members and their families: (1) TRICARE Prime, a managed care option; (2) TRICARE Choice, a self-managed option; and (3) TRICARE Supplemental, an option for retired members and their families, other than TRICARE-For-Life beneficiaries, who have other health insurance. Beneficiaries would be required to enroll in one of the TRICARE options during an annual open enrollment period in order to obtain care through the TRICARE Program.

Under this provision, the Department would offer TRICARE Prime in areas near military treatment facilities (MTFs). Active-Duty family members would be authorized to enroll in TRICARE Prime, and there would be no cost shares. Retirees and their family members would be authorized to enroll in TRICARE Prime in areas where an MTF has a significant number of health care providers, including specialty providers, and sufficient capability to support efficient operations of the MTF. A TRICARE Prime enrollee would be required to obtain a referral for care from a designated primary care manager prior to obtaining care under the TRICARE program. A referral to network providers for specialty care services would not require a beneficiary to obtain a pre-authorization. The provision would require the Secretary to ensure that beneficiaries have the same level of access to care within timelines that meet or exceed those of high-performing health systems in the private sector. The committee believes this should enable beneficiaries to obtain same-day appointment access to most primary and some specialty health care services.

This provision would establish TRICARE Choice in other locations in the country, and beneficiaries may receive care from any health care provider selected by the member subject to any restrictions established by the Secretary.

This provision includes a cost-share table for calendar year 2018 for both TRICARE Prime and TRICARE Choice that would establish rates for annual enrollment fees, annual deductibles, annual catastrophic caps, and co-payments for inpatient visits, outpatient visits, and other services. The provision would gradually increase the annual enrollment fee for military retirees and their families under TRICARE Choice over a period of 5 years through 2023. Subsequently, annual enrollment fees for military retirees and their families in TRICARE Choice after 2023, and for military retirees and their families under TRICARE Prime after 2018, would increase by the annual percent of the Consumer Price Index for Health Care Services, published by the Bureau of Labor Statistics.

Additionally, the provision would increase the deductible, co-payment, and annual catastrophic cap amounts after 2018, by the annual cost of living adjustment for military retired pay.

The provision would authorize the Secretary to adopt special coverage and reimbursement methods, amounts, and procedures to encourage the use of high-value services and products and to discourage the use of low-value services and products.

Under this provision, retirees and their family members with other health insurance would be authorized to enroll in the TRICARE Supplemental option. The provision establishes an annual enrollment fee that would be one-half of the fee for the TRICARE Choice option. Under TRICARE Supplemental, TRICARE would pay the deductible and co-payment amounts under the beneficiary's primary health plan, not to exceed the amount TRICARE would have paid as primary payer to an out-of-network provider.

A number of existing TRICARE programs would remain unchanged under this provision: (1) Extended Health Care Option Program; (2) TRICARE Reserve Select; (3) TRICARE Retired Reserve; (4) TRICARE Dental Program; and the (5) Continued Health Care Benefits Program. This provision would not affect the required cost-shares under the TRICARE Pharmacy Benefits Program, but the annual enrollment fee, annual deductible, and annual catastrophic cap established in this section would apply to the pharmacy program. With this provision, the cost-share requirements for remote area dependents would be the same as those established under the TRICARE Prime Option but without a referral requirement.

Modifications of cost-sharing requirements for the TRICARE Pharmacy Benefits Program and treatment of certain pharmaceutical agents (sec. 702)

The committee recommends a provision that would modify cost-sharing amounts for the TRICARE pharmacy benefits program for years 2017 through 2025. After 2025, the Department could establish cost-sharing amounts equal to the cost-sharing amounts for the previous year adjusted by an amount, if any, to reflect increases in costs of pharmaceutical agents and pharmacy dispensing fees. With this provision, beneficiaries would continue to receive pharmaceuticals at no cost in military medical treatment facilities. Under this provision, there would be no changes to cost-sharing amounts for survivors of members who died on Active Duty or for disabled retirees and their family members.

To encourage use of pharmaceutical agents that provide the greatest value to beneficiaries and the Department, the provision would authorize the Secretary of Defense, upon recommendation from the Pharmacy and Therapeutics Committee and review by the Uniform Formulary Beneficiary Advisory Panel, to exclude from the pharmacy benefits program any pharmaceutical agent that the Secretary determines provides little or no value to covered beneficiaries and the Department. Additionally, the Secretary would give preferential status to any non-generic pharmaceutical agent on the uniform formulary by treating it, for the purposes of cost-sharing, as a generic product under the TRICARE retail pharmacy and

mail order programs. Finally, the provision would authorize the Secretary to adopt special reimbursement methods, amounts, and procedures in medical contracts to encourage physicians to use high-value pharmaceutical agents and to discourage use of low-value agents.

The National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92) authorized modest cost-share amount increases for certain pharmaceuticals obtained through the TRICARE retail pharmacy network or the mail order pharmacy in fiscal year 2016, but it did not include the Administration's proposal to increase cost-share amounts in subsequent years. In conference deliberations with the House of Representatives last year, the conferees agreed to reconsider broader proposed cost-share amount changes submitted by the Administration with the fiscal year 2017 budget request. The committee believes the Department should use savings generated from pharmaceutical cost-share increases to improve health outcomes and the experience of care for beneficiaries of the military health system.

Eligibility of certain beneficiaries under the TRICARE program for participation in the Federal Employees Dental and Vision Insurance Program (sec. 703)

The committee recommends a provision that would amend sections 8951 and 8981 of title 5, United States Code, to require the Secretary of Defense to enter into an agreement with the Director of the Office of Personnel Management to offer eligible beneficiaries the opportunity to purchase dental and vision insurance currently available to federal employees under the Federal Employees Dental and Vision Insurance Program. The committee believes this provision would extend highly regarded dental and vision insurance coverage to certain eligible beneficiaries and provide better opportunities, through enhanced benefits, for improved dental and vision health.

Coverage of medically necessary food and vitamins for digestive and inherited metabolic disorders under the TRICARE program (sec. 704)

The committee recommends a provision that amend section 1077 of title 10, United States Code, to provide TRICARE program coverage for medically necessary food, including the equipment and supplies necessary to administer that food, and vitamins for digestive disorders and inherited metabolic disorders.

Enhancement of use of telehealth services in military health system (sec. 705)

The committee recommends a provision that would require the Secretary of Defense, within 1 year of the date of enactment of this Act, to incorporate the use of telehealth services throughout the direct and purchased care components of the military health system.

The provision would require the Department to make telehealth services available to: (1) improve access to primary care, urgent care, behavioral health care, and specialty care; (2) perform health assessments; (3) provide diagnoses, treatments, interventions, and supervision; (4) monitor individual health outcomes of covered

beneficiaries with chronic diseases or conditions; (5) improve communication between health care providers and patients; and (6) reduce health care costs for beneficiaries and the Department of Defense.

This provision would require the Secretary to establish standardized payment methods to reimburse health care providers for telehealth services provided to covered beneficiaries in the purchased care component of the TRICARE program to incentivize the provision of telehealth services. The provision would also require the Secretary to reduce or eliminate co-payments or cost-shares for covered beneficiaries for receipt of telehealth services.

The Secretary would be required to submit an initial report, within 180 days of the date of enactment of this Act, to the Committees on Armed Services of the Senate and the House of Representatives, describing the full range of telehealth services to be available in the direct and purchased care components of the military health system. Within 3 years after the date of incorporation of telehealth services throughout the military health system, the Secretary would be required to submit a final report to the committees describing the impact made by use of telehealth services in the direct and purchased care components of the military health system.

Early this year, the Assistant Secretary of Defense for Health Affairs published a memorandum that authorized the provision of telemedicine services at a patient's location. The committee considers this policy a good first step, but the additional conditions applied to the policy unduly restrict beneficiaries' full use of the same telehealth capabilities readily available in the private sector. The committee believes the Department should amend its published conditions for the provision of telemedicine services to ensure beneficiaries everywhere have full access to those services.

Evaluation and treatment of veterans and civilians at military treatment facilities (sec. 706)

The committee recommends a provision that would authorize a veteran or civilian to be evaluated and treated at a military treatment facility if the Secretary of Defense determines that: (1) the evaluation and treatment of the individual is necessary to maintain the medical readiness skills and competencies of health care providers at the facility; (2) health care providers at the facility have the competencies, skills and abilities to treat the individual; and (3) the facility has available space, equipment, and materials.

The provision would authorize a military treatment facility to bill and accept reimbursement for services provided to a civilian patient. Under this provision, the Secretary of Defense would be required to enter into a memorandum of understanding with the Secretary of Veterans Affairs whereby the Secretary of Veterans Affairs would reimburse a military treatment facility for the costs of any health care services provided to individuals eligible for health care services from the Department of Veterans Affairs.

By authorizing military health care providers to treat eligible veterans and certain civilians in military treatment facilities, this provision would help the Department of Defense to ensure that

military health care providers maintain their operational medical force readiness skills and core competencies.

Pilot program to provide health insurance to members of the reserve components of the Armed Forces (sec. 707)

The committee recommends a provision that would authorize the Secretary of Defense to carry out a pilot program jointly with the Director of the Office of Personnel Management (Director), of at least 5 years duration, to provide commercial health insurance coverage to eligible reserve component members who enroll for either individual, self plus one, or self and family coverage. If the Secretary, and the Director, determine that a pilot program is feasible, the Director would contract with qualified health insurance carriers to provide eligible beneficiaries with a variety of high quality health benefits plans, which could vary by plan design, covered benefits, geography, and price. Reserve component members and their family members would not be eligible to enroll in a health plan in the pilot program if they are eligible to enroll in a health benefits plan under the Federal Employees Health Benefits Program.

Under the pilot program, the Secretary could contract with qualified health insurance carriers to provide coverage for health care services provided at military treatment facilities to pilot program participants, and the Department would receive payment from those carriers for any services provided at those facilities. Family members of an eligible reserve component member could remain covered under the pilot program even when the reserve component member became ineligible for coverage while serving on Active Duty for a period greater than 30 days.

In addition, an eligible reserve component member would be responsible for payment of all cost sharing amounts applicable to the health benefits plan plus an annual premium amount equal to 28 percent of the total annual amount of the premium under the plan. During a period in which a reserve component member served on Active Duty for more than 30 days, the premium amount and cost shares would be zero for eligible family members.

In consultation with the Secretary of Homeland Security, the Secretary would provide recommendations and data to the Director on matters regarding military treatment facilities, matters unique to eligible reserve component members and their families, and any other guidance necessary to administer the pilot program. The Secretary and the Director would jointly establish a funding mechanism for the pilot program, and the Secretary would make funds available to the Director, without fiscal year limitation, for payment of health plan costs and administrative expenses.

Pilot program on treatment of members of the Armed Forces for post-traumatic stress disorder related to military sexual trauma (sec. 708)

The committee recommends a provision that would authorize the Secretary of Defense to conduct a pilot program, of not more than 3 years duration, to award competitive grants to community partners to provide intensive outpatient programs to treat members of the Armed Forces suffering from post-traumatic stress disorder re-

sulting from military sexual trauma, including treatment for substance use disorder, depression, and other issues related to those conditions. Under this provision, a community partner would be a private health care organization or institution that: 1) provides health care to servicemembers; 2) provides evidence-based treatment for psychological and neurological conditions common to servicemembers; 3) provides health care, support, and other benefits to family members of servicemembers; and 4) provides health care under the TRICARE program. The government share of the costs of programs carried out by community partners could not exceed 50 percent in this pilot program.

Subtitle B—Health Care Administration

Consolidation of the medical departments of the Army, Navy, and Air Force into the Defense Health Agency (sec. 721)

The committee recommends a provision that would require the Secretary of Defense to disestablish the medical departments of the Armed Forces and consolidate all activities of those departments into the Defense Health Agency. The Secretary could not undertake this action until 60 days after submission of the Department's consolidation plan to the Committees on Armed Services of the Senate and the House of Representatives. The provision would also require the Comptroller General of the United States to review the consolidation plan and submit that review to the Committees on Armed Services of the Senate and the House of Representatives within 180 days after the Secretary submits the plan to the committees.

Under this provision, the Defense Health Agency would be led by an officer of the Armed Forces holding the grade of lieutenant general or vice admiral and be responsible for the medical operations of the Department of Defense. The resultant Defense Health Agency would consist of four subordinate organizations: 1) an organization responsible for all military medical treatment facilities; 2) an organization responsible for medical professional recruitment and retention activities, medical education and training, research and development activities, and executive agencies for medical operations or activities; 3) an organization responsible for activities and duties of the current Defense Health Agency; and 4) an organization responsible for activities and duties to improve and maintain operational medical force readiness capabilities and to ensure sustainment of combat casualty care and trauma readiness of military health care providers. A major general or rear admiral upper half would serve as head of each subordinate organization.

The provision would give broad authorities to the Director of the Defense Health Agency, under the supervision and control of the Assistant Secretary of Defense for Health Affairs, to conduct the medical operations functions of the Department. In addition, the provision would amend sections 3036, 5137, and 8036 of title 10, United States Code, to establish the duties and responsibilities of the Surgeons General of the military Services as principal advisor to the service secretary and service chief as well as chief medical advisor of that Service to the Defense Health Agency. Finally, the provision would require the Secretary of Defense to submit a report

on consolidation, by January 1, 2017, to the Committees on Armed Services of the Senate and the House of Representatives.

After careful study, the committee concludes that a single agency responsible for all medical operations of the Department of Defense would best improve and sustain operational medical force readiness and the medical readiness of the Armed Forces; improve beneficiaries' access to care and the experience of care; improve health outcomes; and lower the management cost of the military health system.

In January 2015, the Military Compensation and Retirement Modernization Commission provided the committee its recommendations to modernize the military health system. The commission made important recommendations to improve and sustain military medical force readiness, to improve access to care, and to expand beneficiaries' choices of health plans.

Unfortunately, the Office of the Secretary of Defense and the Services have made insufficient progress over the past year to improve health care delivery services for beneficiaries. The committee continues to hear from beneficiaries voicing problems with access to health care services—obtaining medical appointments quickly; receiving timely referrals for specialty care; receiving coordinated care in military hospitals and in the private sector; and receiving urgent care when primary care appointments are unavailable. It is clear to the committee that the existing medical command structure of the Department—a structure that numbers almost 12,000 military, civilian and contract staff members—has failed to recognize and rapidly correct systemic problems in health care delivery in military hospitals and clinics. The committee believes that the current, inefficient organizational structure of the military health system paralyzes rapid decision-making and stifles innovation in producing a modern health care delivery system that would better serve all beneficiaries. A streamlined organizational structure, eliminating redundancy and generating greater efficiency, would yield significant monetary savings to the Department and lead to true reform of the military health system while improving the experience of care for beneficiaries.

Accountability for the performance of the military health care system of certain positions in the system (sec. 722)

The committee recommends a provision that would require the Secretary of Defense and the secretaries of the military departments, within 180 days of the date of enactment of this Act, to incorporate performance accountability measures into the annual performance reviews of certain leadership positions in the military health care system. The provision would prohibit payment of a performance bonus to a civilian employee of the Department of Defense occupying a position, specified in the provision, unless the operations of the military health care system met or exceeded performance measures during the period of the employee's annual performance review. The Secretary of Defense would submit a report to the Committees on Armed Services of the Senate and the House of Representatives, within 180 days of enactment of this Act, which describes the incorporation of performance accountability measures

in the annual performance reviews of leadership positions in the military health care system.

Selection of commanders and directors of military treatment facilities and tours of duty of commanders of such facilities (sec. 723)

The committee recommends a provision that would require the Secretary of Defense to develop common qualifications and core competencies required for selection of commanders or directors of military medical treatment facilities. The provision would also establish a minimum length of 4 years for tours of duty, with limited exceptions, for those commanders or directors to ensure greater stability in health system executive management at each facility and throughout the military health system.

The committee is concerned that military treatment facility commanders typically rotate to new duty stations every 2 years, and these frequent transfers lead to great instability in the management of hospitals and clinics. The rapid turnover of military hospital commanders creates turmoil in hospital executive leadership and management, negatively affecting the performance of the local facility and the overall performance of the entire military health system. The committee believes this provision would steady the executive management of military hospitals and clinics and improve the performance of those facilities.

Authority to convert military medical and dental positions to civilian medical and dental positions (sec. 724)

The committee recommends a provision that would amend chapter 49 of title 10, United States Code, to authorize the Department of Defense to convert military medical and dental positions to civilian positions if: 1) conversion would not result in a loss of a military-essential position; 2) conversion would not result in degradation of medical care or the medical readiness of the Armed Forces; and 3) conversion to a civilian position would be more cost effective. The committee believes this provision would give the military services more flexibility to achieve the most efficient medical and dental force mix aligned with their operational missions and to correct skill and specialty imbalances within the medical and dental forces.

In May 2014, the Institute for Defense Analyses (IDA) published a comprehensive DOD-commissioned study on medical total force management. In the study, IDA determined that the military services underestimate the true costs of officer and enlisted medical personnel compared to the total costs for government civilians and contractors. IDA calculated that the complete cost to the taxpayer of military medical personnel far exceeded the cost of civilian health care providers with comparable skills.

Since the military services seemingly underestimate the full cost of medical personnel, they incorrectly rely on more military medical personnel than civilians and contractors to provide health care services to beneficiaries. This problem primarily occurs in the Navy and Air Force as their staffing models generally favor using more military medical personnel than civilians or contractors. In contrast, the Army has a more civilian-intensive medical labor force. If the Navy and Air Force military-to-civilian staff ratios closely

matched Army ratios, IDA calculated short-term savings to taxpayers of $500.0 million per year and long-term savings of $1.0 billion per year. The committee believes this provision would enable the Department to garner significant short and long-term budgetary savings that could be used to enhance the health care experience of beneficiaries or to improve overall military readiness.

Authority to realign infrastructure of and health care services provided by military treatment facilities (sec. 725)

The committee recommends a provision that would authorize the secretary of a military department to realign the infrastructure of or modify the health care services provided by a military treatment facility (MTF) if a realignment or modification would better: 1) ensure the delivery of safe, high quality health care services; 2) adapt the delivery of health care in a facility to rapid changes in private sector health care delivery models; or 3) maintain the medical force readiness skills and core competencies of health care providers in a facility. Before taking any action under this provision, the Secretary of Defense would be required to submit a report to the Committees on Armed Services of the Senate and the House of Representatives on proposed realignments of infrastructure of or modifications of health care services at MTFs. Within 60 days after the Secretary submits a report under this provision, the Comptroller General of the United States would submit a review of such report to the Committees on Armed Services of the Senate and the House of Representatives.

Acquisition of medical support contracts for TRICARE program (sec. 726)

The committee recommends a provision that would require the Secretary of Defense to conduct a new competition of all medical support contracts, except the overseas medical support contract, with private sector entities under the TRICARE program by January 1, 2018, upon expiration of each such contract. New contracts would be competitively procured and automatically renewable for a period of not more than 10 years unless notice for termination is provided by either party not later than 180 days before contract termination. The Department would award contracts with a combination of local, regional and national private sector entities to develop individual and institutional networks of high-performing health care providers. The Secretary could not exercise an option to extend an existing medical support contract with a private sector entity that would delay the award of a new contract.

Within 1 year of the award of new medical support contracts, the Secretary would be required to issue an open broad agency announcement to allow potential contractors to propose innovative ideas and solutions to meet the medical support contract needs of the Department. A medical support contract awarded through the open broad agency announcement would be deemed to meet the requirements under section 2304 of title 10, United States Code, relating to use of competitive procedures to procure services.

For new medical support contracts, the Department would be required to include, to the extent practicable: (1) maximum flexibility in network design and development; (2) integrated medical man-

agement between military medical treatment facilities and network providers; 3) maximum use of the full range of telehealth services; (4) use of value-based reimbursement methods that transfer financial risk to health care providers and medical support contractors; (5) use of prevention and wellness incentives to encourage beneficiaries to seek health care services from high-value providers; (6) a streamlined enrollment process and timely assignment of primary care managers; (7) elimination of the requirement to seek authorization of referrals for specialty care services; (8) the use of incentives to encourage certain beneficiaries to engage in medical and lifestyle intervention programs; and (9) the use of financial incentives for contractors and health care providers to receive an equitable share in cost savings resulting from improvement in health outcomes and the experience of care for beneficiaries.

In establishing new medical support contracts, the provision would require the Secretary to: (1) assess the unique characteristics of providing health care services in rural, remote, or isolated locations, such as Alaska, Hawaii, and locations in the contiguous 48 states; (2) consider the various challenges inherent in developing robust provider networks in those locations; and (3) develop a provider reimbursement rate structure in those locations that ensures timely access to care, high quality primary and specialty care, and improvement in health outcomes. Additionally, the Secretary could not modify existing medical support contracts or enter into new contracts in rural, remote, or isolated locations until the Secretary certifies to the Committees on Armed Services of the Senate and the House of Representatives that those contracts would ensure timely access to care, high quality care, better health outcomes, and a better experience of care. The provision would also require the Comptroller General of the United States to submit a report, by January 1, 2019, that assesses the compliance of the Secretary with the requirements of this section.

The committee views this provision as critically important to reform of the TRICARE program. The Department's contract strategy for the next generation of TRICARE managed care support contracts, commonly known as the T–2017 contracts, does not acknowledge the rapid changes in delivery of health care services in the private sector. The T–2017 contract strategy fails to focus on development of high-value provider networks, and the Department remains fixed on reimbursing network providers solely on the number and types of services provided rather than on improvement in beneficiaries' health outcomes and the experience of care.

Moreover, the Department's current strategy of essentially awarding 5-year contracts (1 base-year with 4 option-years) results in a winner-take-all approach that limits competition and stifles adoption of innovations in health care delivery. The Department and the American taxpayers continue to assume all financial risk in those contracts while that risk, if transferred to health care providers and medical support contractors, would encourage more efficient, effective delivery of health care services. The committee firmly believes that multiple local, regional, and national TRICARE medical support contracts, which transfer financial risk from the government to contractors and health care providers, would improve beneficiaries' health outcomes, simplify the onerous, costly

contracting process, and ultimately lower health care costs for the Department.

Authority to enter into health care contracts with certain entities to provide care under the TRICARE program (sec. 727)

The committee recommends a provision that would authorize the Secretary of Defense to enter into contracts to provide health care, including behavioral health care, to covered beneficiaries under the TRICARE Program with any of the following: (1) the Department of Veterans Affairs; (2) an Indian tribe or tribal organization that is party to the Alaska Native Health Compact with the Indian Health Service; and (3) an Indian tribe or tribal organization that has entered into a contract with the Indian Health Service to provide health care in rural Alaska or other locations in the United States.

Improvement of health outcomes and control of costs of health care under TRICARE program through programs to involve covered beneficiaries (sec. 728)

The committee recommends a provision that would require the Secretary of Defense, by January 1, 2018, to implement programs to increase involvement of covered beneficiaries in making health care decisions and to encourage beneficiaries to share more responsibility for the improvement in their health outcomes through participation in medical and lifestyle intervention programs. This provision would also authorize the Secretary to charge and collect a fee from a covered beneficiary, other than an Active-Duty servicemember, for failure to notify a military treatment facility, within 24 hours of a scheduled appointment with a health care provider, that the beneficiary will be unable to attend the appointment. The Secretary of Defense would be required to submit a report to the Committees on Armed Services of the Senate and the House of Representatives, by January 1, 2020, that describes implementation of the programs mandated under this provision.

The committee believes that the Department of Defense should make a greater effort towards controlling health care costs for high-need, high-cost patients. Recent studies show that comprehensive care management programs can improve a patient's health outcomes and quality of life while reducing costs for the patient and the patient's health plan. This provision would incentivize those beneficiaries with chronic diseases or conditions, such as diabetes, asthma, or depression, or those exhibiting unhealthy behaviors, such as tobacco use or obesity, to participate in comprehensive medical or lifestyle intervention programs designed to improve beneficiaries' health outcomes and functional status while controlling health care costs for those beneficiaries and the Department.

In addition, the committee is concerned about the high number of failed medical appointments in the military health system. From October 2014 through September 2015, there were over 1.6 million scheduled appointments missed by all categories of beneficiaries—Active-Duty servicemembers missed over 700,000 of those scheduled appointments. Although other patients likely filled some missed appointments, the military services could not provide accu-

rate data to demonstrate that fact to the committee. The large number of failed appointments negatively affects access to care for all beneficiaries at great financial costs to the Department and taxpayers. It is clear to the committee that the military services must take this problem more seriously by implementing programs to minimize the number of failed appointments in military hospitals and clinics.

Establishment of centers of excellence for specialty care in the military health system (sec. 729)

The committee recommends a provision that would require the Secretary of Defense to establish regional centers of excellence for the provision of specialty care to covered beneficiaries at major medical centers of the Department of Defense. The provision would authorize the Secretary to establish satellite centers, when and where appropriate, particularly to provide specialty care for post-traumatic stress and traumatic brain injury.

Furthermore, the provision would specify the types of centers of excellence that the Secretary could establish while allowing for the establishment of additional centers when appropriate. The centers of excellence established under this provision would serve as the primary sources for specialty care within the direct care health system, and health care providers throughout the system would refer beneficiaries to those facilities. The provision would require the Secretary to submit a report to the Committees on Armed Services of the Senate and the House of Representatives, within 180 days of the date of enactment of this Act, which provides a plan to establish specialty care centers of excellence in the military health system.

After careful study, the committee concludes that establishment of specialty care centers of excellence in the military health system would result in the delivery of superior health care for specialized procedures, therapies, and services, and improve health outcomes for beneficiaries. By concentrating military specialty care providers in regional major medical centers, such as Walter Reed National Military Medical Center, Brook Army Medical Center, Keesler Medical Center, Womack Army Medical Center, Naval Medical Center Portsmouth, Naval Medical Center San Diego, and Madigan Army Medical Center, the Department would enhance operational medical force readiness by allowing military health care providers to practice and train in multi-disciplinary, team-oriented environments treating complex, high acuity patients. This modern approach to the delivery of specialty medical care in the military health system would closely mirror the approach used by high-performing health systems in the private sector such as the Cleveland Clinic.

Program to eliminate variability in health outcomes and improve quality of health care services delivered in military treatment facilities (sec. 730)

The committee recommends a provision that would require the Secretary of Defense to conduct a program, not later than January 1, 2018, to: (1) establish best practices for the delivery of health care services for certain diseases or conditions at military treat-

ment facilities; (2) incorporate those best practices into the daily operations of military treatment facilities participating in the program; and (3) eliminate variability in health outcomes and improve the quality of health care services delivered at military treatment facilities. Under this provision, the Secretary would conduct the program in three phases and be required to complete each phase within 180 days following initiation of that phase. The initiation of phases two and three would immediately follow completion of the previous phase.

The provision would require the Secretary, during the conduct of the program, to continuously monitor and adjust the health care services delivered at military treatment facilities and the number of patients enrolled at those facilities to ensure: (1) a high degree of safety and quality in the delivery of health care at those facilities; and (2) the delivery of only those health care services critical for maintaining operational medical force readiness and the medical readiness of the Armed Forces.

Establishment of advisory committees for military treatment facilities (sec. 731)

The committee recommends a provision that would require the Secretary of Defense to establish an advisory committee for each military medical treatment facility. Each advisory committee would include six beneficiaries eligible for health care services in the military health system: (1) two Active-Duty servicemembers; (2) two Active-Duty family members; and (3) two military retirees. The committee recognizes that beneficiaries need an official forum to provide guidance on the operations of military treatment facilities. Advisory committee members would regularly engage with the executive management of each military treatment facility to discuss concerns and to provide feedback on matters relating to the provision of health care services in the facility.

Standardized system for scheduling medical appointments at military treatment facilities (sec. 732)

The committee recommends a provision that would require the Secretary of Defense to implement, by January 1, 2018, a standardized medical appointment scheduling system at military treatment facilities throughout the military health system. Under this provision, no military treatment facility would have the authority to use an appointment scheduling system other than the standardized system. Each military treatment facility would make available a centralized appointment system that allows beneficiaries to make appointments, either by telephone or by an internet-connected device, including by smartphone application, through an online scheduling system available 24 hours per day, 7 days per week. The online appointment system would be able to send automated email and text message reminders to patients.

The committee regularly hears from beneficiaries that the multiple medical appointment systems used across the military health system lead to extended delays in getting timely care and result in poor patient satisfaction. The committee believes the current appointment scheduling systems lead to waste, inefficiency, and lower provider productivity. The Department should quickly implement a

new appointment scheduling system, universally applied in each military treatment facility, which enables beneficiaries to make appointments rapidly and stress-free. The new, standardized appointment system should enable beneficiaries to make appointments at least 1 year in advance, and it should send automatic appointment reminders by email, telephone or text message.

Display of wait times at urgent care clinics, emergency departments, and pharmacies of military treatment facilities (sec. 733)

The committee recommends a provision that would require the commander or director of a military treatment facility, by January 1, 2018, to display in a conspicuous location at each urgent care clinic, emergency department, and pharmacy in a military treatment facility an electronic sign that displays the current average wait time either to be seen by a qualified medical provider or to receive a filled prescription of a pharmaceutical agent. The provision would prescribe how the commander or director should determine the average wait times for beneficiaries at urgent care clinics, emergency departments, and pharmacies in military treatment facilities.

Improvement and maintenance of combat casualty care and trauma care skills of health care providers of Department of Defense (sec. 734)

The committee recommends a provision that would require the Secretary of Defense to implement measures to improve and maintain the combat casualty care and trauma care skills for health care providers of the Department of Defense by January 1, 2018. The provision would require the Secretary to: (1) conduct a comprehensive review of combat casualty care and wartime trauma systems from January 1, 2001 to the present time; (2) expand military-civilian trauma training sites to provide enhanced training for integrated combat trauma teams; (3) establish a personnel management plan for important wartime medical specialties; (4) develop standardized tactical combat casualty care instructions and training for all servicemembers; (5) develop a comprehensive trauma care registry; (6) develop quality of care outcome measures for combat casualty care; and (7) conduct research to understand better the causes of morbidity and mortality of servicemembers in combat.

Adjustment of medical services, personnel authorized strengths, and infrastructure in military health system to maintain readiness and core competencies of health care providers (sec. 735)

The committee recommends a provision that would require the Secretary of Defense to implement measures, within 180 days of the date of enactment of this Act, to maintain the critical wartime medical readiness skills and core competencies of health care providers within the Armed Forces. The provision would require the Secretary to implement a measure to ensure the military Services do not substitute a medical specialty required for medical force readiness with another medical specialty. Additionally, the provision would require the Secretary to: (1) modify medical services; (2)

reduce authorized strengths of military and civilian personnel; and (3) reduce or eliminate unnecessary infrastructure in the military health system such that military treatment facilities would provide only those services required to maintain the critical wartime medical skills and core competencies of health care providers and to ensure the medical readiness of the Armed Forces.

Moreover, this provision would require the Comptroller General of the United States to provide a report, within 18 months of the date of enactment of this Act, which assesses the Department's implementation of this provision, to the Committees on Armed Services of the Senate and the House of Representatives.

In May 2014, the Institute for Defense Analyses (IDA) published a comprehensive DOD-commissioned study on medical total force management and noted that the total active military medical force "generally exceeds the Service-identified military essential requirement." In the report, IDA stated that the military services have "historically understaffed operationally required specialties like surgery while over-staffing beneficiary care specialties like pediatrics and obstetrics." The IDA report also found that the military services' estimates of medical operational requirements "significantly exceed historic deployment levels and staffing requirements for deployable units."

The IDA report clearly showed that the military services' medical force authorized strengths exceed current operational medical force readiness requirements. The committee expects the Department to: (1) adjust downward the total medical force mix to coincide with rational and appropriate operational medical force requirements; (2) eliminate health care services provided in military treatment facilities that do not directly support operational medical force readiness and the medical readiness of the Armed Forces; and (3) eliminate excess infrastructure in military hospitals and clinics. In making these necessary adjustments, the Department should ensure eligible beneficiaries unable to receive health care services in military treatment facilities have access to high-value primary and specialty care services in the private sector.

Establishment of high performance military-civilian integrated health delivery systems (sec. 736)

The committee recommends a provision that would require the Secretary of Defense, by January 1, 2018, to establish high performance military-civilian integrated health delivery systems through partnerships with other health systems, including local or regional health systems in the private sector and the Veterans Health Administration. One of the objectives of these partnerships would be to transfer health care services, non-essential for maintenance of medical readiness skills of military health care providers, from military treatment facilities to the private sector. The Department of Defense would accomplish these partnerships either through memoranda of understanding or contracts between military treatment facilities and private sector health systems, such as health maintenance organizations, regional health organizations, integrated health systems, and health care centers of excellence, as well as the Veterans Health Administration. Under this provision, covered beneficiaries would be eligible to enroll in and receive med-

ical services in the private sector component of established military-civilian integrated health networks. The Secretary of Defense would be required to incorporate value-based reimbursement methodologies into any memoranda of understanding or contracts to reimburse private sector entities for medical services provided to covered beneficiaries.

The committee believes that implementation of this provision would improve health outcomes and enhance the experience of care for beneficiaries as local military treatment facilities create strong synergistic relationships with private sector health systems to form integrated high performance health systems. These formal relationships would foster innovation in military treatment facilities, enhance operational medical force readiness, improve access to specialized medical care, and strengthen care coordination through integration of all activities of these new health delivery systems.

Contracts with private sector entities to provide certain health care services at military treatment facilities (sec. 737)

The committee recommends a provision that would require the Secretary of Defense to enter into centrally-managed, performance-based contracts with private sector entities to augment the delivery of health care services at military treatment facilities with limited or restricted ability to provide services such as primary care or expanded-hours urgent care. Under this provision, contracts would be designed to purchase improvement in health outcomes for covered beneficiaries seeking health care services in military treatment facilities.

The provision would require the Secretary to submit a plan to the Committees on Armed Services of the Senate and the House of Representatives, within 180 days of enactment of this Act, that includes: (1) a description of the number and types of contracts the Secretary intends to procure; and (2) a description of the performance measures used in procuring performance-based contracts.

Modification of acquisition strategy for health care professional staffing services (sec. 738)

The committee recommends a provision that would amend section 725(a) of the Carl Levin and Howard P. "Buck" McKeon National Defense Authorization Act for Fiscal Year 2015 (Public Law 113–291), which would require the Department of Defense to implement a performance-based, strategic-sourcing contract for acquiring health care professional staffing services for the military health system. The provision would require all components of the military health system to use the contract, and the Department would be required to develop a process for obtaining a waiver, based on documented rationale, to use another contract or acquisition approach.

The committee remains frustrated that the Defense Health Agency and the military services have delayed any progress towards developing a unified contracting strategy to procure medical and dental staffing services in military treatment facilities. The current individual contracting strategy for medical and dental staffing services leads to higher costs for procurement and significantly delayed

staff augmentation in military treatment facilities. This inefficient contracting strategy ultimately hinders access to care for beneficiaries.

Reduction of administrative requirements relating to automatic renewal of enrollments in TRICARE Prime (sec. 739)

The committee recommends a provision that would reduce the administrative costs of the TRICARE program by removing an annual requirement that the managed care support contractors generate and mail an enrollment renewal letter to all beneficiaries enrolled in TRICARE Prime. The committee notes that the Department of Defense currently uses multiple avenues to notify beneficiaries of annual changes to the TRICARE Program. This provision would eliminate an unnecessary administrative process and save taxpayers up to $2.4 million per year.

Subtitle C—Reports and Other Matters

Pilot program on expansion of use of physician assistants to provide mental health care to members of the Armed Forces (sec. 751)

The committee recommends a provision that would require the Secretary of Defense to commence a physician assistant psychiatric fellowship pilot program, within 1 year of the date of enactment of this Act, to assess the feasibility and advisability of expanding the use of physician assistants specializing in psychiatric medicine. The pilot program would consist of two rounds with each round taking a maximum of 2 years to complete. Under this provision, the Secretary would select a least five individuals to participate in the pilot program for each round. The provision would require the Secretary to use existing graduate medical education programs of the Department to the greatest extent possible in carrying out the pilot program. Within 180 days after the date the Secretary completes the first round of the psychiatric fellowship pilot program, the Secretary would submit an initial report to the Committees on Armed Services of the Senate and the House of Representatives on the program. Subsequently, the Secretary would submit a final report that updates the initial report within 90 days after termination of the pilot program. The authority for the pilot program would terminate upon completion of the second round of the psychiatric fellowship program.

Implementation of plan to eliminate certain graduate medical education programs of Department of Defense (sec. 752)

The committee recommends a provision that would require the Secretary of Defense to implement a phased plan, within 1 year of the date of enactment of this Act, to eliminate those graduate medical education programs of the Department that do not directly support the medical force readiness requirements for health care providers within the Armed Forces. The Secretary would provide a report, within 180 days of the date of enactment of this Act, which

provides the Department's plan to eliminate graduate medical education programs non-essential for medical force readiness.

The military services currently train military health care professionals in a mix of federal and civilian graduate medical education (GME) programs. The military services' data show that over 5,000 students received training in over 700 programs in academic year 2014–2015. Additionally, the military services required over 3,700 faculty and support staff to conduct their in-house training programs. Further evaluation of the military services' data reveals there are numerous GME programs funded by the military services, which have little to no direct relationship to the support of operational medical force readiness requirements. The committee understands that the military services have, for decades, relied on GME programs to recruit health care professionals, especially physicians and dentists, into military service, but the military services should now reevaluate their GME programs and right-size them to match realistic operational medical force readiness requirements. Cost savings resulting from right-sizing GME programs could be used to improve overall military readiness.

Modification of authority of Uniformed Services University of the Health Sciences to include undergraduate and other medical education and training programs (sec. 753)

The committee recommends a provision that would amend sections 2112(a) and 2113 of title 10, United States Code, to authorize the Uniformed Services University of the Health Sciences to grant certificates, certification, and undergraduate degree programs in addition to advanced degrees.

Memoranda of agreement with institutions of higher education that offer degrees in allopathic or osteopathic medicine (sec. 754)

The committee recommends a provision that would require the Secretary of Defense to create memoranda of agreement with local or regional allopathic or osteopathic schools of medicine to establish military treatment facilities as affiliate teaching hospitals. By sharing training facilities, staffing, and material resources, these new academic affiliations could help improve and sustain operational medical force readiness and possibly serve as productive recruiting grounds for new military physicians.

Extension of authority for joint Department of Defense-Department of Veterans Affairs Medical Facility Demonstration Fund (sec. 755)

The committee recommends a provision that would extend the authority for the joint Department of Defense-Department of Veterans Affairs demonstration fund from September 30, 2017, to September 30, 2018.

Prohibition on conduct of certain medical research and development projects (sec. 756)

The committee recommends a provision that would prohibit the Secretary of Defense and each service secretary from funding or

conducting a medical research and development project unless the secretary concerned determines that the project would protect, enhance, or restore the health and safety of members of the Armed Forces.

Authorization of reimbursement by Department of Defense to entities carrying out state vaccination programs for costs of vaccines provided to covered beneficiaries (sec. 757)

The committee recommends a provision that would authorize the Secretary of Defense to reimburse an entity carrying out a state vaccination program for the cost of providing vaccines to covered beneficiaries. Under this provision, the amount of reimbursement could not exceed the amount that the Department would reimburse an entity for providing vaccines to covered beneficiaries under the TRICARE program.

Maintenance of certain reimbursement rates for care and services to treat autism spectrum disorder under demonstration program (sec. 758)

The committee recommends a provision that would require the Secretary of Defense, on the date of enactment of this Act, to reinstate the reimbursement rates in effect on March 1, 2016, for the provision of applied behavior analysis therapy and to preserve those rates throughout the duration of the Comprehensive Autism Care Demonstration program conducted under section 705 of the National Defense Authorization Act for Fiscal Year 2013 (Public Law 112–239; 10 U.S.C. 1092 note), as extended and modified by the Secretary.

The committee is concerned that certain changes to provider reimbursement rates implemented by the Department of Defense on April 1, 2016, have negatively affected both access to care and continuity of care for TRICARE beneficiaries seeking applied behavior analysis therapy. The committee believes it is vitally important to ensure that TRICARE beneficiaries with autism spectrum disorder receive timely, uninterrupted services under the Department's demonstration program.

Incorporation into certain surveys by Department of Defense of questions on service women experiences with family planning services and counseling (sec. 759)

The committee recommends a provision that would require the Secretary of Defense, within 90 days after the date of enactment of this Act, to begin action to integrate into certain surveys administered by the Department of Defense questions designed to obtain information on the experiences of service women with family planning and counseling.

Assessment of transition to TRICARE program by families of members of reserve components called to Active Duty and elimination of certain charges for such families (sec. 760)

The committee recommends a provision that would require the Secretary of Defense, within 180 days of enactment of this Act, to

complete an assessment of the extent to which families of members of the reserve components of the Armed Forces serving on Active Duty, pursuant to a call to or order to Active Duty for a period of more than 30 days, experience difficulties in transitioning from health care arrangements relied upon when the member is not in such an Active-Duty status to health benefits under the TRICARE program. Within 180 days after completing the assessment, the Secretary shall submit a report detailing the results of the assessment to the Committees on Armed Services of the Senate and the House of Representatives. This provision would also amend section 1079(h)(4)(C)(ii) of title 10, United States Code, to expand the authority of the Secretary to eliminate balance billing for families of members of the reserve components of the Armed Forces serving on Active Duty.

Requirement to review and monitor prescribing practices at military treatment facilities of pharmaceutical agents for treatment of post-traumatic stress (sec. 761)

The committee recommends a provision that would require the Secretary of Defense, within 180 days of enactment of this Act, to: (1) conduct a comprehensive review of the prescribing practices at military treatment facilities of pharmaceutical agents for the treatment of post-traumatic stress (PTS); (2) implement a process or processes to monitor the prescribing practices at military treatment facilities of pharmaceutical agents discouraged from use under the clinical practice guideline for management for PTS published by the Department of Defense (DOD) and the Department of Veterans Affairs (VA); (3) implement a plan to address any deviations from that guideline in the prescribing practices of pharmaceutical agents for management of PTS; and (4) implement a plan to address any instances where benzodiazepines and opioids are concurrently prescribed.

The committee is concerned that the Department of Defense lacks a uniform process to review and monitor prescribing practices for the treatment of PTS at military treatment facilities. A recent Government Accountability Office (GAO) report highlighted the Department of the Army's failure to monitor, on an ongoing basis, the prescribing of medications to treat PTS. Since the GAO report only studied prescribing policies and procedures of the Army's health care providers, the committee is unaware of the extent to which this shortfall may extend to the other Services. Without ongoing monitoring of the prescribing of antipsychotics and benzodiazepines to servicemembers with PTS, the Services may be unable to identify and address prescribing practices inconsistent with the DOD/VA clinical practice guideline.

Report on plan to improve pediatric care and related services for children of members of the Armed Forces (sec. 762)

The committee recommends a provision that would require the Secretary of Defense to submit to the Committees on Armed Services of the Senate and the House of Representatives a report setting forth a plan of the Department to improve pediatric care and related services for children of members of the Armed Forces.

Comptroller General report on health care delivery and waste in military health system (sec. 763)

The committee recommends a provision that would require the Comptroller General of the United States, within 1 year after the date of enactment of this Act, and at least annually thereafter for 4 years, to submit to the Committees on Armed Services of the Senate and the House of Representatives, a report assessing and identifying potential waste and inefficiency relating to the delivery of health care within the military health system.

Items of Special Interest

Cancer research programs

The Department of Defense must ensure that research funded through various peer-reviewed cancer research programs primarily focus on cancers of significance to military populations. In support of this effort, the committee believes the Department should further promote collaborative research between Department of Defense researchers and non-military research institutions on these cancer research programs. These collaborations could leverage the research experience, knowledge, and infrastructure of civilian research partners and lead to greater advances in the prevention, diagnosis, and treatment of cancers important to maintaining the health of servicemembers. The committee directs the Department to prioritize coordination with non-military research institutions that are designated centers of excellence in cancer research by the National Institutes of Health.

Capability to transport and treat military personnel exposed to highly infectious emerging diseases

The committee encourages the Department of Defense to ensure that the Department has the capability to transport and treat military personnel who are exposed to and may become infected with a highly infectious emerging disease. The committee directs the Secretary of Defense to submit a letter report to the Committees on Armed Services of the Senate and the House of Representatives, not later than September 1, 2016, describing the Department's plan for: (1) transportation and treatment of military personnel exposed to highly infectious emerging diseases; and (2) training of medical personnel involved in the treatment and transportation of servicemembers with highly infectious emerging diseases.

Chronic pain

The committee recognizes the considerable human and economic impact of chronic pain on servicemembers, as well as the current lack of scientific evidence on both the short- and long-term safety and efficacy of many chronic pain treatments. Further, the committee notes that there is an urgent need to identify, research, and develop safe, effective drug and non-drug therapies that can replace the use of addictive medications in the treatment of chronic pain. The committee recognizes the Department of Defense's initial steps to generate the necessary evidence base to inform the safe, effective management of chronic pain in developing the Pain Assessment Screening Tool and Outcomes Registry (PASTOR). How-

ever, the committee remains concerned with the Department's progress in implementing PASTOR across the Military Health System (MHS). The Committee directs the Department to submit to the Committees on Armed Services of the Senate and the House of Representatives, not later than September 6, 2016, a report describing the Department's plan to implement PASTOR across the MHS.

Collar technology

The committee remains concerned about servicemembers sustaining traumatic brain injuries (TBI) in training and in combat. Although research, rehabilitation, and treatment continues for those servicemembers who sustain TBI, the committee recommends that the Department of Defense explore new technologies and equipment that may help either to prevent or reduce the incidence of TBI. The committee is aware of innovative "collar technology" that has shown promise in greatly reducing the occurrence of TBI in athletic and animal testing. This technology improves blood flow in the brain, which serves to cushion and protect the brain against an impact to the skull. The committee encourages the Department to study this new technology.

Comptroller General report on military health professional recruitment

The military health system faces numerous challenges as it strives to deliver quality health care, including recruitment of health care professionals in an increasingly competitive civilian job market and a projected nationwide shortage of certain health care professionals. The Department of Defense (DOD) has two primary sources for accessing medical professionals into its officer corps—health professions scholarships for education and training in civilian institutions and direct provision of education and training at the Uniformed Services University of the Health Sciences (USUHS). For fiscal year 2017, DOD has requested almost $275.0 million for its pre-commissioning health professions scholarship program and over $242.0 million for funding USUHS. Medical officers graduating from USUHS serve an average of 14 years following completion of residency training while medical officers graduating from civilian institutions serve an average of seven years after residency training. DOD also offers bonuses and special pays for healthcare professionals, which vary by specialty. The actual effectiveness of DOD's current health professions accession and retention tools, in terms of cost and recruitment effectiveness, remains uncertain to the committee.

Therefore, the committee directs the Comptroller General of the United States to conduct a thorough review of the recruitment and retention of health care professionals and to provide preliminary observations by February 27, 2017, to the Committees on Armed Services of the Senate and the House of Representatives. Subsequently, the Comptroller General shall provide a full report to the same committees at a date agreed upon at the time of the preliminary briefing. The review shall address, at a minimum, the following: (1) an assessment of the cost and benefits of DOD's programs and policies for accessing and retaining military health care

providers; and (2) an evaluation to determine whether DOD has developed a plan to address the potential shortage of health care professionals, such as physicians, dentists, nurses, and mental health providers, and to ensure an adequate pipeline of fully trained military medical personnel.

Comptroller General report on TRICARE managed care support contracts acquisition strategy and program administration requirements

The committee directs the Comptroller General of the United States to conduct a comprehensive review of the Department of Defense's (DOD) TRICARE managed care support contracts acquisition strategy and program administration requirements to include the Department's efforts to identify and incorporate best practices to improve the overall cost efficiency and quality of health care delivery. This review should include the identification of any incentives or barriers that affect the Department's ability to provide efficient and effective health care services.

The Comptroller General shall provide preliminary observations not later than 9 months after the date of enactment of this Act, to the Committees on Armed Services of the Senate and the House of Representatives. Subsequently, the Comptroller General shall provide a full report to the same committees at a date agreed upon at the time of the preliminary briefing. The review shall address, at a minimum, the following: (1) the extent to which DOD has made efforts to streamline the acquisition process and reduce the life cycle costs of its managed care support contracts, including the identification and use of industry best practices, if applicable; (2) incentives and barriers that may affect the efficiency and cost effectiveness of DOD's acquisition strategy; (3) the extent to which DOD has made efforts to modify program administration requirements to improve outcomes such as beneficiaries' health outcomes and satisfaction, as well as any cost efficiencies associated with health care delivery, including the identification and use of industry best practices, if applicable; and (4) incentives and barriers that may affect DOD's health care delivery outcomes.

Dental implants

The Committee is aware of efficient, effective endosseous implant technologies available to serve Active-Duty servicemembers who may require fixed or removable dental prostheses. The use of these innovative technologies, combined with a renewed effort to provide research-based specific guidance with respect to less invasive practices, better patient outcomes, notable cost savings, and less aftercare, could lead to better, more efficient dental implant care practices.

The Committee is concerned that the current guidelines and evaluation criteria used by the military departments may not allow for consideration of more advanced dental implant technologies that could provide measurable benefit to servicemembers. The committee encourages the military departments to consider the best available dental implant and non-metallic restorative options for service men and women and to ensure that current guidance and requirements allow for the evaluation of the latest dental implant

technologies to meet the needs of soldiers, sailors, airmen, and marines.

Department of Defense tobacco policy

The Committee recognizes the importance of the Secretary of Defense's 2016 policy memorandum, "Department of Defense Tobacco Policy," which updated existing tobacco use policy and described efforts to curb tobacco use and reduce its harmful effects in the military. According to the Centers for Disease Control and Prevention, the Department of Defense, and the Institute of Medicine, members of the military have higher rates of tobacco use than the civilian population, particularly among military personnel who have been deployed. Further, the Secretary's memorandum notes that about 38 percent of current military smokers initiated tobacco use following enlistment. The Department estimates that the impact of tobacco use in the military population costs over $1.6 billion per year in lost productivity. In an effort to improve the health and fitness of members of the Armed Forces, the Department's policy restricts tobacco use to designated areas, eliminates discounted prices on tobacco products at military exchanges, improves tobacco education, and improves smoke-free housing options. The Committee directs the Department of Defense to fully implement this guidance across the military Services.

Expert behavioral science support for courts-martial

The committee is aware that the successful trial of military courts-martial frequently requires expert support from behavioral science professionals. An August 17, 2015, information paper from the Defense Health Agency revealed that the Center for Forensic Behavioral Sciences (CFBS) is the only dedicated capability within the Department of Defense (DOD) offering specialized forensic behavioral science evaluations and consultations in support of the military justice system. The CFBS also supports military criminal investigative organizations, the intelligence community, and military commanders around the world. The CFBS is the only accredited fellowship program within DOD for forensic psychiatry and forensic psychology. The information paper disclosed the CFSB is currently understaffed and this staffing level resulted in CFBS's ability to support only about 100 of 366 referrals from across DOD, with 69 percent of these referrals involving sexual assault offenses. Private civilian forensic experts ultimately met the demand by the Services at substantially increased cost to DOD.

The committee is concerned that the existing organizational and budget model for the CFBS is inadequate to address the demand for these critical services. The committee directs the Secretary of Defense to: (1) review the current staffing, budget, and resourcing of the CFBS; (2) evaluate the recommendations provided in the DHA's information paper; and (3) report the result of that review to the Committees on Armed Services of the Senate and the House of Representatives by September 30, 2016.

Full spectrum ultraviolet technologies

The committee notes that both hospital associated infections (HAIs) and surgical site infections (SSIs) continue to be a major,

yet preventable, threat to the safety of patients and health care workers in both civilian and military hospitals. Multiple published, peer-reviewed studies have shown that full spectrum ultraviolet (UV) technologies reduce both HAI and SSI rates in the health care environment. In addition to routine environmental disinfection to support patient and staff safety, environmentally friendly UV technologies can be deployed as a biodefense mitigation strategy.

The committee is aware that over 40 federal health care organizations have acquired full spectrum UV technologies for environmental disinfection and for disaster preparedness. The committee encourages the Department of Defense to investigate full spectrum UV technologies to support patient and staff safety through routine disinfection of hospital environmental surfaces and as a mitigation strategy in response to an outbreak of biological contamination.

Hearing restoration research

The committee commends the Department of Defense for its research to date on auditory and vestibular injuries among servicemembers. Hearing and balance are critical elements of military medical readiness. Servicemembers are exposed to hazardous noise levels and blast exposure during training and combat that result in auditory and vestibular system injuries leading to symptoms including hearing loss, persistent tinnitus, and balance problems. These symptoms may impede communication, reduce situational awareness, hinder threat detection, and otherwise impair personnel safety and mission effectiveness.

The committee notes that hearing loss and auditory injuries in the military continue to rise and are some of the top occupational injuries for servicemembers. According to the Veterans Benefits Administration, tinnitus and hearing loss were the most prevalent service-connected disabilities among new veterans disability compensation beneficiaries in fiscal year 2014, bringing the total number of veterans receiving compensation for auditory disabilities to 2.4 million according to the most recent data.

The Duncan Hunter National Defense Authorization Act for Fiscal Year 2009 (Public Law 110–417) established the Department of Defense Hearing Center of Excellence, focused on the prevention, diagnosis, treatment, and rehabilitation of hearing loss and auditory system injury. Despite the establishment of the Hearing Center of Excellence, research funding for auditory and vestibular injuries and disorders remains limited. The committee is concerned that current research and development funding may be inadequate to address the magnitude of this challenge, which to date has resulted in reduced medical readiness among servicemembers, as well as high costs to the Department of Defense and the Department of Veterans Affairs. Therefore, the committee encourages the Department to prioritize funding for hearing restoration research and consider establishing a research program dedicated to this field, especially regenerative strategies and other options that may reduce the burden of this disability on servicemembers.

Implementation of authority for provisional TRICARE coverage for emerging health care services and supplies

The committee directs the Secretary of Defense to submit a report, by September 30, 2016, to the Committees on Armed Services of the Senate and the House of Representatives on implementation of the Department's authority for provisional TRICARE coverage for emerging health care services and supplies pursuant to section 1079(c) of title 10, United States Code. The report shall describe the following: (1) the actions undertaken to implement the authority to provide provisional TRICARE coverage for emerging health care services and supplies; (2) the services and supplies for which the Department has granted provisional TRICARE coverage; (3) the rationale, if any, for implementation of demonstration projects for TRICARE coverage of such services and supplies in lieu of granting provisional TRICARE coverage; and (4) the impact that implementation of provisional TRICARE coverage authority has had on access to and provider reimbursement for services and supplies, such as molecular pathology laboratory developed tests, as compared to non-coverage of those services and supplies.

Improvement of prosthetic care outcomes

In 2015, the Department of Veterans Affairs deployed advanced, proven lower limb prosthetic digital health technology to provide real-world data documenting activity in the community for veterans with lower limb prostheses. By documenting how patients with limb loss function with their prosthetic devices, this digital health technology offers new opportunities to improve prosthetic outcomes, increase activity, and improve the quality of life for those who have lost limbs. Currently, the Department of Defense (DOD) has not provided this technology to servicemembers who have lost lower limbs or to veterans who receive prosthetic care from DOD. The committee encourages DOD to utilize technology that captures real-world activity data for amputees to improve prosthetic outcomes for servicemembers and veterans.

Maternity care

The committee recognizes the importance of medical support contracts in providing a network of maternity care providers for TRICARE beneficiaries. The committee directs the Secretary of Defense to review TRICARE reimbursement rates for the provision of maternity care in non-contiguous states and territories of the United States and to ensure a strong network of maternity care providers in those isolated and remote locations.

Medical operations in austere environments

The committee recognizes significant efforts the Department of Defense (DOD) has undertaken to improve the delivery of medical care in austere environments, including emergency and trauma care for the warfighter, as well as countering threats posed by bioterrorism and infectious disease outbreaks. In recent years, infectious diseases such as Ebola, Zika, Malaria, Dengue, and Chikungunya, have highlighted the potential military role in responding to naturally occurring biological threats. Not only do these diseases pose a significant risk to the homeland, but they

may also limit the strategic access and operational effectiveness of forward deployed forces. Meanwhile, emergency and trauma care for warfighters often takes place under less than ideal conditions.

The committee notes that DOD must continue to maintain and modernize its ability to quickly and safely provide medical care in austere environments. This includes the ability to maintain sterile conditions and to control, inactivate, and dispose of hazardous medical and biological waste. The committee notes that commonly used burn pits and incinerators may not effectively neutralize chemical, biological, or radioactive agents, risking environmental contamination and further transmission. The committee encourages the Department to assess cost-effective, alternative solutions for mobile medical and biological waste disposal. The committee further encourages the Assistant Secretary of Defense for Health Affairs to identify cost-effective, mobile options to enhance theatre distribution of medical facilities, including containerized platforms to expand combat surgical and infectious disease treatment capabilities.

Online patient portal

In recognizing the importance of greater participation of TRICARE beneficiaries in managing their health, the committee encourages the Secretary of Defense to create an online patient portal to allow beneficiaries to: (1) track scheduled medical and dental appointments; (2) obtain laboratory test results; (3) request prescription refills; (4) track and manage participation in wellness programs; and (5) communicate with their physicians or dentists. This patient portal should be fully integrated with the electronic health record of the Department of Defense.

Prescription Drug Abuse

The committee recognizes that there has been an increase in prescription drug abuse among servicemembers and their family members. In reforming the military health care system, the committee recognizes that there is a move to improve health outcomes and enhance healthcare value. The committee expects that the Department will be mindful of the growing prescription drug epidemic in making this transformation and will ensure that any new health delivery system in the military health system will take into account potential abuse of opioid drugs.

The committee urges the Department to continue research on alternative treatments for chronic pain and ensure that all health care providers receive education and training on pain management and safe opioid prescribing guidelines. In addition, the committee urges the Department to implement evidence-based prevention and treatment interventions to address prescription drug abuse and to ensure that all health care providers receive education and training on pain management and safe opioid prescribing guidelines.

Psychological Health Risk-Adjusted Model for Staffing

In 2007, the Department of Defense created the Psychological Health Risk-Adjusted Model for Staffing (PHRAMS) to assess the military health system's (MHS) current and future mental health provider staffing needs. A 2015 report by the Comptroller General of the United States found that the military Services are either not

using PHRAMS to assess their mental health provider staffing needs or are supplementing PHRAMS with Service-specific methods to accommodate for shortcomings in the model. The same report found that the Navy and the Air Force do not track needs for mental health provider staffing but rather "submit the number of authorized mental health provider positions for both the requirements and authorizations sections" of their quarterly reports to the Defense Health Agency (DHA).

The committee is concerned that the lack of accurate information from the military Services on mental health provider staffing requirements undermines efforts by the DHA to assess the need for mental health providers across the MHS and congressional oversight thereof. Therefore, the committee directs the military departments and the National Capital Region (NCR) Medical Directorate to include estimated mental health provider staffing needs generated through PHRAMS in their quarterly mental health staffing reports to the DHA. The committee further directs the Assistant Secretary of Defense for Health Affairs to make available to the Committees on Armed Services of the Senate and the House of Representatives all past and future quarterly mental health staffing reports from the military Services and the NCR Medical Directorate.

Given the Department's ongoing and considerable investment in developing and updating PHRAMS, it is important that the model provide value to the military Services. As such, the committee directs the service secretaries of each of the military departments as well as the director of the NCR Medical Directorate to review and report on the following: (1) their current method for assessing mental health provider staffing needs; (2) the utility of the PHRAMS model to their Service or organization; and (3) any Service- or organization-specific methods they use or recommend to improve PHRAMS' utility. These reports should be provided to the Committees on Armed Services of the Senate and the House of Representatives no later than November 1, 2016.

Reduction of antibiotic-resistant bacteria in military hospital and surgical environments

Infections resulting from antibiotic-resistant bacteria present a common risk for patients with chronic non-healing wounds, for burn victims, and for those patients undergoing invasive surgery. These serious infections lead to higher rates of morbidity and mortality, ultimately leading to higher health care costs. Despite the emergence of antibiotic resistance, the serious side effects of systemic antibiotics, and insufficient tissue penetration of systemic antibiotics as a result of impaired blood supply to a wound or burn site, systemic antibiotic treatment currently remains the therapy of choice to prevent infections because of the lack of a suitable topical therapeutic alternative. Studies show that silicate-based nanoparticle technology, whether administered topically or intravenously, reduces the occurrence of antibiotic-resistant bacteria. Accordingly, the committee urges the U.S. Army Institute of Surgical Research to assess such technology, and in coordination with the Defense Health Agency, report such findings to the Office of the Assistant Secretary of Defense (Health Affairs).

Report on provision of behavioral health and suicide prevention resources to reserve component members

The Committee notes that providing effective behavioral health and suicide prevention programs is essential to the efficiency and effectiveness of the Armed Forces and the stability of military families. The availability of these services varies widely for servicemembers, depending on their location and status in either the active or reserve component. The committee believes that determining the most efficient and effective model for the delivery of these services to these distinct populations is in the best interests of the servicemembers and the Department of Defense.

Therefore, the committee directs the Secretary of Defense to submit to the Committees on Armed Services of the Senate and the House of Representatives, not later than October 1, 2016, a report detailing the present state of behavioral health services and suicide prevention programs provided by the Department to servicemembers in the reserve component to include: (1) information regarding which programs have been determined to be the most effective based on accepted metrics for performance; (2) an assessment of any disparity of services available between members of the active component and reserve component members; and (3) any recommendations for improving the delivery of these services in order to effectively and efficiently provide for the specific needs of servicemembers in the reserve component.

TRICARE Comprehensive Autism Care Demonstration program

The committee remains concerned about beneficiaries' access to care for services provided under the TRICARE Comprehensive Autism Care Demonstration program. Beginning not later than July 1, 2016, and continuing through the duration of the demonstration program, the committee directs the Secretary of Defense to provide quarterly reports, by letter, to the Committees on Armed Services of the Senate and the House of Representatives on access to care and the effectiveness of care among military dependents participating in the program. The Secretary shall report, at a minimum, the following information by state: (1) the number of new referrals for services under the program; (2) the number of total beneficiaries enrolled in the program; 3) the average wait-time from time of referral to the first appointment for services under the program; (3) the number of providers accepting new patients under the program; (4) the number of providers who no longer accept new patients for services under the program; (5) the average number of treatment sessions required by beneficiaries; and (6) the health-related outcomes for beneficiaries under the program. This provision would improve data reporting on the demonstration program and ensure that military dependents with autism spectrum disorder have timely access to effective care.

TITLE VIII—ACQUISITION POLICY, ACQUISITION MANAGEMENT, AND RELATED MATTERS

Subtitle A—Acquisition Policy And Management

Rapid acquisition authority amendments (sec. 801)

The committee recommends a provision that would amend section 806 of the Bob Stump National Defense Authorization Act for Fiscal Year 2003 (Public Law 107–314) to better integrate and conform the provision with the rapid acquisition authorities established in section 804 of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92).

Authority for temporary service of Principal Military Deputies to the Assistant Secretaries of the military departments for acquisition as acting Assistant Secretaries (sec. 802)

The committee recommends a provision that would amend sections 3016(b)(5)(B), 5016(b)(4)(B), and 8016(b)(4)(B) of title 10, United States Code, to allow Principal Military Deputies to serve in an acting capacity if there is a vacancy in the position of the Service Acquisition Executive.

Conduct of independent cost estimation and cost analysis (sec. 803)

The committee recommends a provision that would amend section 2334 of title 10, United States Code, and would repeal section 2434 of title 10, United States Code, in order to remove the ambiguity concerning the roles and responsibilities for the conduct of independent cost estimates (ICE's) by designating the Director of Cost Assessment and Program Evaluation (CAPE) to ensure standards are met. Currently there is confusion and ambiguity because ICEs are referenced in two different locations of title 10, which this provision would rectify. The provision would ensure that the Secretary of Defense is only approving major defense acquisition programs after reviewing a full life-cycle cost estimate conducted by an independent entity that may also provide cost-saving and risk-reducing alternative courses of action.

Modernization of services acquisition (sec. 804)

The committee recommends a provision that would require the Secretary of Defense to revise the Department of Defense Instruction 5000.74, dated January 6, 2016. The Secretary would be required to provide more guidance as to how the acquisition community should address the changing nature of technology and services markets and also perform a review of the instructions' current cat-

egories of services acquisition and make changes as necessary. Additionally, the Secretary of Defense would be required to issue new guidance to address the training and development of the acquisition workforce, particularly those involved in the acquisition of services.

Modified notification requirement for exercise of waiver authority to acquire vital national security capabilities (sec. 805)

The committee recommends a provision that would amend subsection (d) of section 806 of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92) to provide for a notification to Congress not later than ten days after the any use of the waiver authority to acquire vital national security capabilities outlined earlier in section 806.

Repeal of temporary suspension of public-private competitions for conversion of Department of Defense functions to performance by contractors (sec. 806)

The committee recommends a provision that would repeal section 325 of the National Defense Authorization Act for Fiscal Year 2010 (Public Law 111–84).

Subtitle B—Amendments to General Contracting Authorities, Procedures, and Limitations

Defense cost accounting standards (sec. 811)

The committee recommends a provision that would amend chapter 7 of title 10, United States Code, and establish an independent board chaired by the Chief Financial Officer of the Department of Defense (DOD) to prescribe, amend, and rescind cost accounting standards as they affect operations at the Department of Defense. The committee is concerned that the current cost accounting standards favor incumbent defense contractors and limit competition by serving as a barrier to participation by non-traditional, small business, and commercial contractors. To level the competitive playing field to access new sources of innovation it is in the government's interest to adopt more commercial ways of contracting, accounting, and oversight.

The provision requires that cost accounting standards developed shall to the maximum extent practicable align with Generally Accepted Cost Accounting Principles, thereby minimizing the requirement for government-unique cost accounting systems. The provision would also ensure that managerial cost accounting and activity based accounting structures derived from cost accounting standards are applied to the financial operations of the Department of Defense. The committee is disappointed that the Federal Cost Accounting Standards Board does not currently have a quorum of members and has not met in over three years. Due to this situation, it is doubtful that any credible reform will emanate out of this board in the future and the committee believes that a DOD board will be better suited to meet national security needs.

Increased micro-purchase threshold applicable to Department of Defense procurements (sec. 812)

The committee recommends a provision that would amend chapter 137 of title 10, United States Code, to establish the micro-purchase threshold for Department of Defense activities at $5,000.

Enhanced competition requirements (sec. 813)

The committee recommends a provision that would amend section 2306a of title 10, United States Code, to clarify the definition of competition and the role of the prime contractor in determining whether a subcontract meets the competitive or commercial test under the section.

Elimination of bid and proposal costs and other expenses as allowable independent research and development costs on certain contracts (sec. 814)

The committee recommends a provision that would amend section 2372 of title 10, United States Code, to clarify in what circumstances that independent research and development costs are considered fair, reasonable, and allowable expenses on Department of Defense (DOD) contracts. The provision would authorize that up to 5 percent of the total amount of the work performed by a contractor on procurement and research, development, test, and evaluation activities during the preceding fiscal year could be spent on qualified independent research and development (IR&D) and be determined fair and reasonable by the Department.

With this provision the committee intends that nontraditional contractors and those contractors who only operate on a fixed-price contractual basis with commercial accounting systems will be eligible to conduct independent research and development on behalf of the Department without triggering the need for government unique oversight requirements. There should be limited or no change for the process to reimburse traditional contractors for IR&D whose accounting systems conform to the Cost Accounting System standards.

The committee directs the Secretary of Defense to modify the acquisition process to ensure that any allowable costs for bid and proposal costs are reduced to the maximum extent practicable. The committee is concerned that DOD requirements, rules and regulations are driving contractors to increase bid and proposal costs to unsustainable levels that ultimately DOD pays for in contractor overhead. The committee is also concerned that the ability to be reimbursed for these large costs puts traditional defense contractors at a competitive advantage over a non-traditional contractor who does not receive reimbursement for these costs.

Exception to requirement to include cost or price to the Government as a factor in the evaluation of proposals for certain multiple-award task or delivery order contracts (sec. 815)

The committee recommends a provision that would amend section 2305(a)(3) of title 10, United States Code, to provide an exception to the existing statutory requirement to include cost or price to the Federal Government as an evaluation factor that must be

considered in the evaluation of proposals for all contracts. The provision would only apply to multiple award task or delivery order contracts to buy services and the Department would then appropriately focus on price when individual task orders are issued and competed. The committee agrees with the Department's assessment that the evaluation of price as a source selection factor for initial contract awards on multiple award task or delivery order contracts adds limited value. This provision will allow the Department to be able to better focus on non-price factors in source selection that will result in more meaningful distinctions between offerors being made resulting in better value for the taxpayer.

Modified restrictions on undefinitized contractual actions (sec. 816)

The committee recommends a provision that would amend section 2326 of title 10, United States Code, to revise policies regarding undefinitized contractual actions (UCAs). The committee is concerned that over the past decade the use of UCAs by the services and defense agencies has grown significantly while the speed at which these UCAs are definitized has lagged. To address this situation, the provision would: (1) require a written determination by senior officials to extend a UCA beyond 90 days; (2) require UCAs to be awarded on a fixed price level of effort basis; and (3) extend the 180 day definitization requirement to contracts in support of Foreign Military Sales cases.

The committee has been made aware of certain practices by the services and defense agencies to get around the statutory restrictions on UCAs by "restarting" the 180 day clock whenever a contract modification is made and expects these modifications to be kept to a minimum. The committee will continue to review whether UCAs serve as barriers to the use of non-traditional contractors and further the culture of a reliance on cost contracts and non-value added unique government oversight requirements. If this is found to be the case, the committee will need to consider further restrictions on the use of UCAs by the Department.

Non-traditional contractor definition (sec. 817)

The committee recommends a provision that would amend section 2302(9) of title 10, United States Code, to clarify the definition of a non-traditional contractor. To address the definition of entity which was intended to be interpreted as allowing specific business units within a corporation to be considered as a non-traditional contractor. The Committee would expect that business units shall be defined by the Department by unique Data Universal Number System (DUNS) number or a comparable identifier that is widely accepted as being able to delineate business units within a larger corporate or private unit.

Comprehensive small business contracting plans (sec. 818)

The committee recommends a provision that would amend chapter 137 of title 10, United States Code, to add a new section that would codify the authority to conduct small business subcontracting plans. The Government Accountability (GAO) recently reported to the committee that the Test Program for Negotiation of

Comprehensive Small Business Subcontracting Plans has resulted in the avoidance of millions of dollars in administrative costs and recommended that the program be made permanent. This provision would implement GAO's recommendation.

Limitation on task and delivery order protests (sec. 819)

The committee recommends a provision that would amend section 2304c(e) of title 10, United States Code, that would prohibit task and delivery protests if the Secretary of Defense has appointed an ombudsman in accordance with section 2304c(f) of title 10, United States Code to review complaints related to task order and delivery contracts.

Modified data collection requirements applicable to procurement of services (sec. 820)

The committee recommends a provision that would amend section 2330a of title 10, United States Code, to clarify the applicability of the contractor inventory requirement to staff augmentation contracts and to reduce data collection and unnecessary reporting requirements.

The committee notes that the RAND corporation is undergoing a review mandated by section 807 of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92) to examine and report to the committee the current approach taken by the Department of Defense to comply with section 2330(a) of title 10, United States Code. The committee has been briefed by RAND and the Department of Defense on preliminary findings during this ongoing reporting process, the results of which will be released in the summer of 2016. The committee will takes those results into consideration during the conference process of this Act so as to best capture recommendations to modify the current contractor inventory requirement.

Government Accountability Office bid protest reforms (sec. 821)

The committee recommends a provision that would amend chapter 137 of title 10, United States Code, to add a new section to outline the role of the Government Accountability Office (GAO) in bid protests on certain contracts with the Department of Defense. The provision would require a large contractor filing a bid protest on a defense contract with GAO to cover the cost of processing the protest if all of the elements in the protest are denied in an opinion issued by GAO. The provision would also impose a withhold on payments above incurred costs on any bridge or temporary contract to an incumbent contractor who submits a protest and that protest results in the issuance of a bridge or temporary contract. The distribution of this withhold would be dependent on the outcome of the protest.

Report on bid protests (sec. 822)

The committee recommends a provision that would require the Secretary of Defense to contract with a research entity to carry out a comprehensive study on the prevalence and impact of bid protests on Department of Defense acquisitions. The report is due to

the congressional defense committees 1 year after the enactment of this Act.

Treatment of side-by-side testing of certain equipment, munitions, and technologies manufactured and developed under cooperative research and development agreements as use of competitive procedures (sec. 823)

The committee recommends a provision that would amend section 2350a(g) of title 10, United States Code, to add a new paragraph to clarify that the general solicitation and testing competitive procedures used under the program are competitive procedures under chapter 137 of title 10, United States Code.

Defense Acquisition Challenge Program (sec. 824)

The committee recommends a provision that would amend section 2359b(a)(2) of title 10, United States Code, to expand the scope of the defense acquisition challenge program to include alternatives to existing acquisition programs and to clarify that the general solicitation competitive procedures used under the program are competitive procedures under chapter 137 of title 10, United States Code.

Use of Lowest Price Technically Acceptable source selection process (sec. 825)

The committee recommends a provision that would require the Department of Defense to revise the Defense Federal Acquisition Regulation Supplement (DFARS) to limit the use of lowest price technically acceptable (LPTA) source selection criteria in circumstances that would potentially deny the Department the benefits of cost and technical tradeoffs in the source selection process. The Department would be required to only use LPTA criteria in specified circumstances and avoid to the maximum extent practicable for the procurement of knowledge-based professional services such as information technology services. Additionally, this provision would require the Secretary of Defense to submit a report to the congressional defense committees detailing instances for which LPTA source selection criteria was used annually for the next 3 years.

Penalties for the use of cost-type contracts (sec. 826)

The committee recommends a provision that would require the secretary of each military department and the head of each of the defense agencies to pay a penalty for the use of cost-type contracts in certain cases that are awarded in fiscal year 2018 through fiscal year 2021. The penalty would equal 2 percent of obligated funds in the case of new contracts using procurement funds or 1 percent in the case of new contracts using research, development, test, and evaluation funds, with some limited exceptions.

The committee is frustrated by the continuous dependence of the Department of Defense on the use of cost type contracts. While there are some circumstances where cost-type contracts may be appropriate, the Department has over the years expanded the use of these types of contracts as a forcing mechanism to achieve absolute certainty in visibility over contractor costs. While this visibility has

enabled the Department the ability to achieve some narrow cost reductions on certain contracts, it has come at the cost of reduced competition and innovation. The effect of the overuse of cost-type contracts is the narrowing of the industrial base as commercial firms make a choice not to invest in the unique accounting and financial systems necessary to compete for a cost contract. This expensive barrier to entry has resulted in a smaller pool of defense unique companies that can comply with government unique requirements necessary to execute a cost contract. Commercial companies that choose not to invest in expensive government unique accounting systems are effectively precluded from doing business with the Department when DOD chooses to use cost contracts. This provision, in combination with the preference for fixed-price contracts in a separate section of this Act, is designed to limit the use of cost contracts in the future and focus the Department on achieving greater value and innovation through accessing commercial, non-traditional, and small business contractors that are nimble enough to operate in a fixed-price environment.

The committee notes that there are some high risk, high reward research activities where a cost contract would still represent an appropriate allocation of risk between the government and contractor. For example, lead ships in new ship classes have been exempted from the cost penalty and science and technology spending will only be subject to the penalty beginning in fiscal year 2019. While the committee has not mandated a complete ban on cost contracting this provision is designed to set up incentives that limit its use to appropriate exceptional cases. The committee believes that through the course of this pilot period, the Department can develop and implement training and guidance, based on best commercial practice, to establish fixed price contract vehicles with enough options and flexibility that they can serve important high technology defense mission needs for research and development purposes. The committee looks forward to working with the Department to identify and define the appropriate set of cases for use of cost contracts for development, and establish rational policies that will protect government interests, while still meeting the concerns of technology companies.

Preference for fixed-price contracts (sec. 827)

The committee recommends a provision that would revise the Defense Federal Acquisition Regulation Supplement to establish a preference for fixed-price contracts, including fixed-price incentive fee contracts, in the determination of contract type and establish an approval mechanism for the use of cost type contracts over $5.0 million in value. While the committee understands the flexibility and advantages inherent in a fixed-price incentive contract, it is concerned that these contracts could evolve to look more like a cost-type contract. The Department needs to be vigilant in the proper usage of fixed-price incentive contracts by focusing incentives on achievable outcomes and not using these contracts as a gateway to trigger government-unique data and accounting system requirements.

Requirement to use firm fixed-price contracts for foreign military sales (sec. 828)

The committee recommends a provision that would require the Secretary of Defense to prescribe regulations to require the use of firm fixed-price contracts for foreign military sales not later than 180 days after the enactment of this Act. Additionally, this provision would grant the Secretary waiver authority if the Secretary determines that a different type of contract is in the best interest of the United States taxpayers.

Preference for performance-based contractual payments (sec. 829)

The committee recommends a provision that would amend section 2307(b) of title 10, United States Code, to establish a preference for performance-based payments to contractors. The committee is disappointed in the movement of the Department to a greater reliance on cost-type contracts, progress payments, and the need for incurred cost audits performed by the Defense Contract Audit Agency that is currently woefully behind in many of its audit objectives. It was a desire to focus on achieving better outcomes for the taxpayer and reduce the unnecessary bureaucracy and compliance burden that Congress established in the Federal Acquisition Streamlining Act of 1994 (Public Law 103–355) the option of using a more commercial payments process known as performance based payments. These payments would be targeted against achievable goals and metrics rather than merely the expenditure of dollars associated with progress payments. While the Federal Acquisition Regulation in FAR 32.1001 establishes performance based payments as the preferred Government financing mechanism, the Department has become even more focused on measuring cost as an output rather than focusing on measuring outcomes for the taxpayer and rewarding contractors for meeting those performance objectives. This provision re-establishes the policy objective.

Share-in-savings contracts (sec. 829A)

The committee recommends a provision that would amend section 2332 of title 10, United States Code, to require the Defense Acquisition University to develop and implement a training program for Department of Defense acquisition personnel on share-in-savings contracts not later than 180 days after the enactment of this Act.

Special emergency procurement authority to facilitate the defense against or recovery from a cyber, nuclear, biological, chemical, or radiological attack (sec. 829B)

The committee recommends a provision that would amend chapter 137 of title 10, United State Code, to add a new section that would grant the Secretary of Defense special emergency procurement authority for property or services that would facilitate defense against or recovery from cyber, nuclear, biological, chemical, or radiological attack against the United States.

Limitation on the use of reverse auction and lowest price technically acceptable contracting methods (sec. 829C)

The committee recommends a provision that would: (1) prohibit the use of reverse auctions and lowest priced technically acceptable (LPTA) contracting methods for the procurement of personal protective equipment where the level of quality needed or the failure of the item could result in combat casualties; and (2) establish a preference for best value contracting methods when procuring such equipment.

The committee is concerned that an overarching bias towards reducing prices paid by the Department of Defense (DOD) to the exclusion of other factors could result in DOD buying low cost products that have the potential to negatively impact the safety of U.S. troops. This could be a particular problem with the quality of personal protective equipment such as helmets, body armor, eye protection, and other similar individual equipment issued to U.S. military personnel. While LPTA and reverse auction contracting techniques are appropriate for some type of purchases, the committee believes that lowest price is not always the best strategy when quality and innovation are needed. In these cases, the committee believes a best value acquisition approach is more appropriate.

Avoidance of use of brand names or brand-name or equivalent descriptions in solicitations (sec. 829D)

The committee recommends a provision that would require the Secretary of Defense to ensure that Department of Defense contract language does not specify a brand name in solicitations unless justification for such a specification is provided and approved in accordance with section 2304(f) of title 10, United States Code.

Sunset and repeal of certain contracting provisions (sec. 829E)

The committee recommends a provision that would: (1) amend title 10, United States Code, to sunset sections 2212, 2220, 2228, 2304e, 2421 by September 30, 2018; (2) amend title 10, United States Code, to sunset section 1706 by September 30, 2019; and (3) repeal sections 2245a, 2225, 2302c, 2378, 2387 of title 10, United States Code.

Flexibility in contracting award program (sec. 829F)

The committee recommends a provision that would establish an award to recognize defense acquisition programs and acquisition professionals that make the best use of flexibilities and those authorities granted in the Federal Acquisition Regulation and Department of Defense Instruction 5000.02 (Operation of the Defense Acquisition System) meant to increase the efficiency of programs. This award would encourage innovation among defense acquisition professionals for their work to simplify procedures, use of commercial contracting approaches, developing public private partnership agreements, and other inventive program management techniques.

Products and services purchased through contracting program for firms that hire the severely disabled (sec. 829G)

The committee recommends a provision that would prohibit the Secretary of Defense from arranging contracts through AbilityOne, or its central non-profit agency, SourceAmerica, and instead require the Secretary to contract directly with qualified nonprofit agencies for the severely disabled until the Department of Defense Inspector General certifies that: (1) the internal controls and financial management systems of AbilityOne and SourceAmerica are sufficient to protect the Department of Defense against fraud, waste and abuse; (2) there are fair opportunities for qualified nonprofit agencies for the severely disabled to compete for DOD contracts under the procurement list; and (3) pass-through contracts to contractors who are not qualified nonprofit agencies are limited to the maximum extent practicable to providing services and supplies necessary for qualified nonprofit agencies to assemble or produce a final product for use by the Department of Defense.

Established by Congress in 1938, the AbilityOne Program is a unique public-private structure that connects people who are blind or have severe disabilities to jobs that provide products and services to the federal government, and is now the single largest source of employment for these individuals. The AbilityOne Program relies on nearly 600 independent nonprofit agencies to provide this employment, assisted by one of two Central Nonprofit Agencies (CNAs): the National Industries for the Blind and SourceAmerica. The U.S. AbilityOne Commission oversees both the CNAs and their affiliated nonprofit agencies (NPAs) and is ultimately responsible for the performance of the program. Given that federal agencies including the Department of Defense—are directed to order certain supplies and services from Procurement List maintained by AbilityOne in support of this objective, there is a requirement that participating vendors—Non-profit Agencies-certify that 75 percent of their total direct labor hours are performed by people who are blind or severely disabled.

The committee fully supports the AbilityOne program's objective to employ people who are blind and severely disabled. Given that DOD spent over $2.3 billion through the program in fiscal year 2015, and that DOD funds comprise the majority of those spent through the AbilityOne program, the committee is very concerned about the lack of transparency and effectiveness in vetting vendors and subvendors. The committee notes that in 2013 GAO recommended enhanced oversight of the AbilityOne Program in several areas to promote accountability for program effectiveness, efficiency, and integrity. Recent media reports have raised allegations of corruption, financial fraud, and legal violations with SourceAmerica the central nonprofit agency responsible for selecting vendors who employ blind and severely disabled. Several federal agency Inspectors General are investigating these allegations, however, because AbilityOne selection of vendors takes place above the level of individual departments and agencies who use AbilityOne, only the Comptroller General of the United States—the Government Accountability Office—has complete authority to audit program management and governance.

Due to the volume of DOD spending through the AbilityOne program, its objectives, its exception to competition, and its unique public-private structure, governance, and oversight, and given the ongoing investigations, the committee has concerns about ensuring the program is managed transparently and with integrity. The committee asked the Department of Defense Inspector General (IG) to evaluate whether the vendors performing the work were meeting requirements for hiring severely disabled, but the IG was prevented by AbilityOne from accessing the documents necessary to perform the review. The committee believes that the current inability for the Defense Department IG to verify and validate the proper use of DOD expenditures is currently untenable. This provision would ensure that DOD contracting officers will contract directly with qualified non-profits to select vendors until DOD IG is able to certify to Congress that the controls and financial management systems at AbilityOne are sufficient to protect the Department against waste, fraud, and abuse. The committee has received no indication of any problems with the operations of the National Industries for the Blind and expects that DOD operations with NIB will continue under current practices.

Applicability of Executive Order 13673 "Fair Pay and Safe Workplaces" to Department of Defense contractors (sec. 829H)

The committee recommends a provision that would limit the application of the acquisition regulations mandated by Executive Order 13673 to contractors or subcontractors of the Department of Defense that have been suspended or debarred as a result of the federal labor law violations referenced in the Executive Order in effect on May 28, 2015.

Contract closeout authority (sec. 829I)

The committee recommends a provision that would grant the Secretary of Defense the authority to close out contracts entered into prior to fiscal year 2000 without completing further reconciliation audits other than those described in this section.

Closeout of old Navy contracts (sec. 829J)

The committee recommends a provision that would grant the Secretary of the Navy authority to close out contracts entered into between fiscal years 1974 and 1998 to design, construct, repair, or support the construction or repair of Navy submarines without completing further reconciliation audits other than those described in this section.

Subtitle C—Provisions Relating to Major Defense Acquisition Programs

Repeal of major automated information systems provisions (sec. 831)

The committee recommends a provision that would repeal chapter 144A of title 10, United States Code. The committee believes that the Department of Defense (DOD) does not need a separate acquisition process for large information technology programs and

that if these programs (particularly those that are national security systems) meet the threshold of a major defense acquisition program they should be managed under that acquisition pathway tailored where applicable to the specific needs of large software development programs under the DOD 5000 series regulations. For business information technology systems the requirements of section 2222 of title 10, United State Code, would apply.

Revisions to definition of major defense acquisition program (sec. 832)

The committee recommends a provision that would amend section 2430 of title 10, United States Code, that would revise the definition of a major defense acquisition program to exclude fixed-price prototypes not planned as part of an existing major defense acquisition programs and those programs or projects developed under the rapid fielding or rapid prototyping acquisition pathway authorized under section 804 of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92).

Acquisition strategy (sec. 833)

The committee recommends a provision that would amend section 2431a of title 10, United States Code to require that the acquisition strategy for each major defense acquisition program must also consider a comprehensive sustainment strategy which includes all aspects of the total life cycle management of the weapon system, including product support, logistics, product support engineering, supply chain integration, maintenance, acquisition logistics, and all aspects of software sustainment.

Improved life cycle cost control (sec. 834)

The committee recommends a provision that would make several amendments to improve life cycle cost controls. First, this provision would amend section 804(c)(3) of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92), to require rapid fielding guidance from the Under Secretary of Defense for Acquisition, Technology, and Logistics to include direction on a process for identifying and exploiting opportunities to use the rapid fielding pathway to reduce total ownership costs. Secondly, this provision would amend section 805(2) of the National Defense Authorization Act for Fiscal Year 2016 (NDAA) to include life cycle cost management as a procedure that the Secretary of Defense should establish for alternative acquisition pathways to meet national security needs. Thirdly, this provision would amend section 833(e) of the NDAA for Fiscal Year 2016 to require the Secretary to also issue guidance on policies to maximize the use of fixed-price contracts and the ability to implement tradeoffs total cost of ownership, schedule, and performance. Finally, this provision would add a new section to chapter 144 of title 10, United States Code, which would require sustainment reviews of acquisition programs 5 years after their operational capability—unless the program has failed to maintain its availability or reliability threshold or has breached its affordability cap before that time.

Additionally, this provision would require the Secretary of Defense to establish a commercial operational and support saving ini-

tiative to insert existing commercial items or technology into military legacy programs through rapid development and fielding of prototypes in order to improve readiness and reduce operations and support costs.

Modification of certain Milestone B certification requirements (sec. 835)

The committee recommends a provision that would amend section 2366b(a)(3) of title 10, United States Code to eliminate the need for waivers that are regularly submitted to the committee for programs that are executed at the beginning of the fiscal year but before the future years defense program (FYDP) has been submitted, and should receive Milestone B certification as long as there is funding in the current FYDP. This provision should reduce the number of required waivers and therefore reduce unnecessary staff burden.

Disclosure of risk in cost estimates (sec. 836)

The committee recommends a provision that would amend subsection (d) of section 2334 of title 10, United States Code, to remove the requirement for disclosure of confidence levels for baseline estimates of major defense acquisition programs. This provision would require the Director of Cost Assessment and Program Evaluation and the Secretary of the military department concerned or the head of the defense agency concerned, if applicable, to: (1) issue guidance requiring a discussion of risk for the acquisition program; (2) ensure the required cost estimates are developed based on historical actual cost information and that the estimates provide a high degree of confidence that the program can be completed without a drastic adjustment to the program budget; and (3) that the information required by the new guidance on risk be included in any decision documentation approving a cost estimate.

Authority to designate increments or blocks of items delivered under major defense acquisition programs as major subprograms for purposes of acquisition reporting (sec. 837)

The committee recommends a provision that would amend section 2430a(1)(B) of title 10, United States Code, to expand the authority to designate increments or blocks of items delivered under major defense acquisition programs as major subprograms.

Counting of major defense acquisition program subcontracts toward small business goals (sec. 838)

The committee recommends a provision that would amend chapter 137 of title 10, United States Code, to include a new section to include first and second tier subcontracts awarded by the Department of Defense (DOD) under major defense acquisition programs in the Department's overall count of small business goals. Major defense acquisition programs are developed by large contractors. Even at the first and second tier of subcontracts it is difficult to obtain small business participation. Counting small business participation at this level toward DOD's top level goal could provide

a greater incentive for small business participation in these programs.

Use of economy-wide inflation index to calculate percentage increase in unit costs (sec. 839)

The committee recommends a provision that would amend section 2433(f) of title 10, United States Code, to require that unit costs be calculated in constant dollars a with an economy-wide inflation index, such as the Gross Domestic Product Price Index.

Waiver of notification when acquiring tactical missiles and munitions above the budgeted quantity (sec. 840)

The committee recommends a provision that would amend section 2308(c) of title 10, United States Code, to waive the requirement for the head of an agency to notify congressional defense committees of the decision to acquire a higher quantity of an end item for tactical missiles and munitions annual procurements. The committee notes that most of the Department of Defense's (DOD) tactical missile and munitions program are currently below their approved inventory objectives and are current warfighting priorities. The committee also notes that the effects of foreign military sales, multi-service procurements, Overseas Contingency Operations additions to the base budget, and improved manufacturing efficiencies, have resulted in DOD being able to procure end items above the annual budgeted quantity without required funding above the appropriated amount. The committee believes that removing this notification requirement would provide needed streamlining and lower costs by reducing administrative staffing and unnecessary compliance burdens.

Multiple program multiyear contract pilot demonstration program (sec. 841)

The committee recommends a provision that would grant the Secretary of Defense the authority to conduct a multiyear contract for multiple defense programs that are produced at common facilities at a high rate, and which maximize commonality, efficiencies and quality, in order to provide maximum benefit and significant savings to the Department of Defense (DOD). The committee notes that this pilot has the potential to increase savings as compared to the process of having separate annual contracts under individual programs to purchase such units separately and at lower rates that raise costs.

Key Performance Parameter reduction pilot program (sec. 842)

The committee recommends a provision that would require the Secretary of Defense to enact a pilot program aimed at decreasing the number of Key Performance Parameters (KPPs) on acquisition programs. The Secretary would be required to select one acquisition program from each of the services to determine if limiting the number of KPPs to three, at the most, leads to operational or programmatic improvements of outcomes.

Mission and system of systems of interoperability (sec. 843)

The committee recommends a provision that would further enhance the Department of Defense's (DOD) efforts to adopt an open systems approach to defense acquisition. The provision would require the Secretary of Defense to implement modular open systems architecture in acquisition programs in specified mission areas when implementing section 801 of the Carl Levin and Howard P. "Buck" McKeon National Defense Authorization Act for Fiscal Year 2015 (Public Law 113–291). The provision would require each multi-service and multi-program mission outlined in the provision to have a mission integration manager to act as the principal substantive advisor to the Deputy Secretary of Defense and the Vice Chairman of the Joint Chiefs of Staff for all aspects of capability integration for the mission area.

B–21 bomber development program baseline and cost control (sec. 844)

The committee recommends a provision that would establish specific cost growth thresholds and cost controls for the Air Force's B–21 bomber program. The provision would also direct the Secretary of the Air Force to submit quarterly program performance data to the Comptroller General of the United States, who will, in turn, assess the data and provide quarterly assessments to the congressional defense committees of cost, schedule, and performance trends for the B–21 bomber program. Finally, the provision would direct the difference between the Department of Defense's annual program budget funding amount at the service cost position level, and the contract award annual funding profile amount, less other government costs to manage the B–21 bomber program or otherwise authorized or appropriated, to be transferred to the Defense Rapid Prototyping Fund, in conjunction with each subsequent fiscal year's budget submission.

The committee is very concerned with the B–21 bomber program acquisition strategy of awarding the engineering and manufacturing development (EMD) phase contract using a cost plus/incentive fee (CPIF) structure. While the committee applauds the fixed-price and not-to-exceed price constructs for the low rate initial production and full rate production phases of the program, the committee remains concerned that performance shortfalls, schedule delays, and resultant cost increases during the EMD phase would expose the government and American taxpayers to excessive program risk, and in turn precipitate a situation such as previously experienced with the B–2 and F–22 programs. These programs far exceeded performance, schedule, and cost estimates in their developmental phases, resulting in affordability issues that ultimately delivered far fewer aircraft than the number required to meet combatant commander and defense strategy requirements.

The committee understands unforeseen problems can arise in complex, challenging, and cutting-edge technology weapons systems programs. However, Congress needs frequent program performance reporting, expert assessments, and cost controls to properly exercise its oversight responsibilities and make critical funding adjustments, or when necessary, off-ramp termination decisions, as the steward of precious American taxpayer dollars.

Subtitle D—Provisions Relating to Acquisition Workforce

Improvement of program and project management by the Department of Defense (sec. 851)

The committee recommends a provision that would outline the responsibilities of the Department of Defense (DOD) under chapter 87 of title 10, United States Code for improving program and project management. This provision would require that not later than 1 year after the enactment of this Act that the Secretary of Defense develop Department-wide standards, policies and guidelines for program and project management.

Authority to waive tenure requirement for program managers for program definition and program execution periods (sec. 852)

The committee recommends a provision that would amend sections 826(e) and 827(e) of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92) to harmonize the waiver authorities granted in these sections to the Service Acquisition Executive or the Under Secretary of Defense for Acquisition, Technology, and Logistics.

Enhanced use of data analytics to improve acquisition program outcomes (sec. 853)

The committee recommends a provision that would require the Secretary of Defense, acting through the Under Secretary of Defense for Acquisition, Technology, and Logistics, the Deputy Chief Management Officer, and the Chief Information Officer, and in coordination with the military services, to establish a set of activities that use data analysis, measurement, and other evaluation-related methods to improve the acquisition outcomes of the Department of Defense (DOD) and enhance organizational learning.

Purposes for which the Department of Defense Acquisition Workforce Development Fund may be used (sec. 854)

The committee recommends a provision that would amend section 1705 of title 10, United States Code, to expand the use of the Department of Defense Acquisition Workforce Development Fund. The provision would clarify that the fund could be used for the development of acquisition tools and methodologies and the undertaking of research and development of activities that could lead to acquisition policies and practices that will improve the efficiency and effectiveness of defense acquisition efforts.

The committee believes there are several areas where the Department should be using the Fund more effectively to achieve better acquisition outcomes and take advantage of new innovation in the commercial and global marketplaces. The committee directs that the Secretary of Defense shall review the adequacy of current acquisition training in the area of better accessing commercial vendors and the use of tools such as Federal Acquisition Regulation Part 12 contracts, Other Transactions Authority, Experimental Authority, Rapid Acquisition Authority, and other flexibilities in law and regulation and consider using the Defense Acquisition Workforce Development Fund to improve training of the Department of

Defense Acquisition Workforce in the use of these authorities. The committee is particularly concerned with a lack of understanding of the flexibility of these authorities by contracting officers, the Office of the Inspector General, and the Defense Contract Management Agency.

Subtitle E—Provisions Related to Commercial Items

Inapplicability of certain laws and regulations to the acquisition of commercial items and commercially available off-the-shelf items (sec. 861)

The committee recommends a provision that would amend section 2375 of title 10, United States Code, to require the establishment of a list in the Defense Federal Acquisition Regulation Supplement of inapplicable defense-unique statutes to contracts for commercial items and commercial-available off-the-shelf items. These would be in addition to those inapplicable government-wide statutes currently listed in the Federal Acquisition Regulation (FAR) pursuant to section 1906(b) of title 41, United States Code.

The committee is concerned by the growing number of government-unique contract clauses that are now required for FAR Part 12 commercial contracts. By industry estimates these clauses have grown since the mid-1990s from 13 to 63, and in some cases over 80, government-unique contract clauses today. With these requirements come additional costs and regulatory burden ultimately paid by the taxpayer while each added new clause limits the pool of potential commercial companies willing to act as defense suppliers. This limits the potential competition, innovation, and creativity that is necessary to reduce costs to the taxpayer and deliver cutting-edge equipment to the men and women of the armed forces. The committee intends that this provision be used by the Department of Defense to reduce unnecessary requirements on contractors providing commercial items that are identified in the report required by section 854 of the National Defense Authorization Act for Fiscal Year 2006 (Public Law 109–163).

Department of Defense exemptions from certain regulations (sec. 862)

The committee recommends a provision that would exempt purchases of commercial off the shelf items by the Department of Defense from certain Executive Orders and give the Secretary of Defense waiver authority for other purchases. The committee is concerned about the increasing application of government unique mandates on defense contracting that do not apply to commercial vendors when they do business in the private sector. These government unique non-statutory requirements may serve as contractual barriers and cost drivers to commercial, small business, and innovative non-traditional contractors. Ultimately, these barriers may serve as disincentives for these firms from doing business with the Department of Defense (DOD).

Use of performance and commercial specifications in lieu of military specifications and standards (sec. 863)

The committee recommends a provision that would require the Secretary of Defense to ensure that the Department of Defense uses performance and commercial specifications and standards in lieu of military specifications and standards, including for procuring new systems, major modifications, upgrades to current systems, non-developmental and commercial items, and programs in all acquisition categories, unless no practical alternative exists to meet user needs. The committee is concerned that the Department over the last decade has moved away from the application of the so-called "Perry Memo" dated June 29, 1994 on "Specifications and Standards—A New Way of Doing Business" and has returned to adopting defense-unique standards and specifications. This provision would codify portions of former Secretary of Defense William Perry's approach to adopting performance and commercial standards and specifications to the maximum extent practicable in defense operations.

Preference for commercial services (sec. 864)

The committee recommends a provision that would require the Secretary of Defense to issue guidance pursuant to section 855 of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92). This provision would ensure that no head of an agency would enter into a contract in excess of the simplified acquisition threshold for facilities-related services, knowledge-based services, equipment-related services, construction services, medical services, logistics management services, or transportation services that are not commercial services unless the head of the agency determines in writing that no commercial services are suitable to meet the agency's needs as provided in section 2377(c)(2) of title 10, United States Code. The committee continues to be concerned by the perfunctory market research being performed by Departmental officials that oftentimes results in purchasing inappropriate defense unique solutions that are often more expensive for the taxpayer. Guidance issued pursuant to this provision should ensure that commercial services are first determined to be unsuitable to the government's needs before purchasing a non-commercial service and that conducted market research be used to inform price reasonableness determinations.

Treatment of items purchased by prospective contractors prior to release of prime contract requests for proposals as commercial items (sec. 865)

The committee recommends a provision that would add a new section to chapter 140 of title 10, United States Code, to treat the purchase of items valued less than $10,000 prior to the release of a government request for proposal (RFP) as a commercial item. There are many cases where contractors often place orders with subcontractors for material, supplies and parts that may be applicable to several commercial or government programs in advance of any government contract or RFP. Placing these "advance release" orders is often necessary to align subcontractor lead time (which, for some critical parts, can exceed 2 years) with government's fund-

ing and contracting cycles. This practice is in the government's interest because if prime contractors did not place such orders in advance—particularly in times of urgent need—required items would be delayed to the warfighter. Applying government-unique accounting requirements after the fact to what are in essence commercial decisions and transactions is of limited value, and any reasonableness of price determinations on these items can be made using similar data and processes used to determine price reasonableness on a commercial item. The provision would still enable the Department of Defense to obtain information required for responsible program management.

Treatment of services provided by nontraditional contractors as commercial items (sec. 866)

The committee recommends a provision that would amend section 2380A of title 10, United States Code, to treat business units of nontraditional contractors that offer services as a commercial item, if the business unit uses the same personnel and similar pricing as offered to commercial customers. The Committee is concerned that Department personnel are not always open to the idea that services related to a traditional Federal Acquisition (FAR) Part 15 program could be considered commercial. The committee notes that increasingly contracting officers take the position that a service contract can be commercial only if it relates to a commercial item. This will present a serious challenge to obtaining services in today's digital economy. Many technology companies are not prepared to offer their services on a FAR Part 15 basis, but for DOD to compete in the information age against its potential adversaries it will need access to those services, in the form of digital offerings, consulting, and analytics, on its traditional acquisition programs. The committee believes this and other provisions proposed in this bill will remedy this situation and encourage commercial services providers to offer their solutions more readily to the defense market.

Use of non-cost contracts to acquire commercial items (sec. 867)

The committee recommends a provision that would amend section 2377 of title 10, United States Code, to require that the Defense Supplement to the Federal Acquisition Regulation shall include that firm fixed-priced contracts, fixed-price incentive contracts or fixed-price with economic price adjustment contracts be used to the maximum extent practicable for the acquisition of commercial items. Additionally, this provision would prohibit the use of cost-type contracts for commercial items. The committee is concerned that the regulatory environment for the use of fixed-price contracts is more restrictive than the current law outlined in section 8002(d) of the Federal Acquisition Streamlining Act of 1994 (Public Law 103–355). This provision will ensure that the Department of Defense practice will correspond to the flexibility inherent in the law and allow contracting officers when acquiring commercial items to use the full range of contracting tools available to the Department in Federal Acquisition Regulations Part 16 that are not cost contracts to include fixed-price incentive type contracts.

Pilot program for authority to acquire innovative commercial items, technologies, and services using general solicitation competitive procedures (sec. 868)

The committee recommends a provision that would grant the Secretary of Defense the authority to carry out a pilot program to acquire innovative commercial items on a fixed-price basis using general solicitation competitive procedures and a peer review of such proposals. The committee believes that this authority will support the Department of Defense's (DOD) efforts to access technical innovations from non-traditional contractor sources.

Subtitle F—Industrial Base Matters

Greater integration of the national technical industrial base (sec. 871)

The committee recommends a provision that would require the Secretary of Defense to develop a plan to reduce the barriers to the seamless integration between the persons and organizations that comprise the National Technical Industrial Base and expand the definition in section 2500 (1) of title 10, United States Code to include the United Kingdom and Australia. The committee is concerned about the barriers that current technology transfer rules, laws, and regulations pose to the incorporation of commercial technology into defense items and to the ability of defense contractors in the United States to work with other internal and external corporate entities in Canada, the United Kingdom, and Australia. The committee is also concerned that universities, non-profit research entities, non-traditional and commercial contractors that now conduct the majority of global research and development are increasingly running up against the U.S. technology transfer regime and are choosing to conduct more research overseas so as to not trigger export control rules. If these trends continue innovation may be increasingly conducted overseas with technology more readily available to potential adversaries than to the U.S. military because of the lack of civil-military integration of the national technical industrial base.

Integration of civil and military roles in attaining national technology and industrial base objectives (sec. 872)

The committee recommends a provision that would amend section 2501(b) of title 10, United States Code, to ensure that the Secretary of Defense when meeting the national security strategy for the national technology and industrial base shall engage in acquisition reform efforts that: (1) rely, to the maximum extent practicable, upon the commercial national technology and industrial base that is required to meet the national security needs of the United States; (2) reduce the reliance of the Department of Defense on technology and industrial base sectors that are economically dependent on Department of Defense business; and (3) reduce Federal Government barriers to the use of commercial products, processes, and standards.

Distribution support and services for weapon systems contractors (sec. 873)

The committee recommends a provision that would grant the Secretary of Defense the authority to make available storage and distribution services support to weapons system support contractors in support of the performance of a contract related to the production, modification, maintenance, or repair of a Department weapons system. The committee believes that this provision would decrease Department of Defense costs associated with the logistical problems of redundant storage and distribution capabilities by allowing the integration of material used to support weapons systems into existing governmental facilities.

Permanency of Department of Defense SBIR and STTR programs (sec. 874)

The committee recommends a provision that would amend sections 9(m) and 9(n)(1) of the Small Business Act (15 U.S.C. 638(m)) in order to make the Small Business Innovation Research (SBIR) program and the Small Business Technology Transfer (STTR) program at the Department of Defense permanent.

Modified requirements for distribution of assistance under procurement technical assistance cooperative agreements (sec. 875)

The committee recommends a provision that would amend section 2413(c) of title 10, United States Code to conform the Procurement Technical Assistance Program with the Defense Logistics Agency current practice of using states as the geographic basis for cooperative agreement awards.

Nontraditional and small disruptive innovation prototyping program (sec. 876)

The committee recommends a provision that would establish a pilot program for nontraditional contractors and small businesses to prototype disruptive solutions that demonstrate new capabilities that could provide alternatives to existing acquisition program and assets. This pilot program would be funded out of the Rapid Prototyping Fund established under section 804(d) of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92).

Subtitle G—International Contracting Matters

International sales process improvements (sec. 881)

The committee recommends a provision that would make improvements to the management and use of fees collected on the transfer of defense articles under programs in which the Defense Security Cooperation Agency (DSCA) has administrative responsibilities. The provision would require The Secretary of Defense to develop a plan for improvements and to gather contractor input on the appropriateness of governmental pricing and availability estimates. Additionally, this provision would require the Comptroller General of the United States to submit a review to the congressional defense committees no later than 180 days after the enact-

ment of this Act on the management and use of fees collected by DSCA.

The committee directs the Comptroller General of the United States to review the management and use of fees collected on transfers of defense articles and services via sale, lease, or grant to international customers under programs over which the Defense Security Cooperation Agency has administration responsibilities and submit to the congressional defense committees a report on the review, including—

(1) the dollar value of fees collected over the last 5 years associated with the process of transferring defense articles and services via sale, lease, or grant;

(2) a description of how funds collected as a result of the fees in paragraph (1) have been used and how the Department of Defense plans to use these funds in the future;

(3) a determination of whether excess funds are being generated;

(4) a determination of whether fees are being used to maintain inefficient staffing levels or are being spent for purposes other than those associated with improving efficient and effective administration of the process;

(5) an assessment of the adequacy, both qualitatively and quantitatively, of Department of Defense staffing required to manage the process;

(6) a determination of whether the Department's process to administer the transfer of defense articles and services via sale, lease, or grant to international customers is adequate to meet wartime or contingency needs of United States allies;

(7) an assessment of the adequacy of information technology processes needed to improve process efficiency or effectiveness;

(8) a determination of whether the fee structure and additional costs associated with utilizing such a process is causing United States contractors to lose sales to foreign competitors; and

(9) any other matters the Comptroller General determines to be appropriate.

Working capital fund for precision guided munitions exports in support of contingency operations (sec. 882)

The committee recommends a provision that would authorize the Secretary of Defense to establish a working capital fund to finance inventories of supplies of precision guided munitions in advance of partner and allied forces requirements to enhance the effectiveness of overseas contingency operations conducted or supported by the United States. The inventories of munitions would be managed by the Defense Logistics Agency and the Joint Chiefs of Staff to optimize the storage, distribution, and deployment of such precision guided munitions to improve the capability of partner and allied forces to contribute to overseas contingency operations conducted or supported by the United States.

Extension of authority to acquire products and services produced in countries along major route of supply to Afghanistan (sec. 883)

The committee recommends a provision that would amend section 801(f) of the National Defense Authorization Act for Fiscal Year 2010 (Public Law 111–84) to extend by 2 years the authority to acquire products and services produced in countries along the major route of supply to Afghanistan. Extending this authority is necessary given the ongoing U.S. mission in the region and the importance of maintaining relationships established in the Northern Distribution Network.

Clarification of treatment of contracts performed outside the United States (sec. 884)

The committee recommends a provision that would codify for Department of Defense contracts the longstanding exemption contained in the Federal Acquisition Regulation 19.000(b) that small business set-asides are not applied to overseas contracts. The committee is concerned about a recent conflicting regulation issued by the Small Business Administration that would undermine the Federal Acquisition Regulation. This regulation if implemented could potentially jeopardize counterinsurgency goals and undermine international agreements that the Department of Defense abides by and lead to increases in the level of bid protests and contract delays.

Enhanced authority to acquire products and services produced in Africa in support of covered activities (sec. 885)

The committee recommends a provision that would grant the Secretary of Defense authority to make a determination to limit competition or provide a preference for products and services produced in areas where the United States has long-term agreements with host nations in the African region. This provision would enhance necessary long-term agreements and stability in the African region by providing economic and employment opportunities for host nations and their citizens.

Maintenance of prohibition on procurement by Department of Defense of People's Republic of China-origin items that meet the definition of goods and services controlled as munitions items when moved to the "600 series" of the Commerce Control List (sec. 886)

The committee recommends a provision that would amend section 1211 of the National Defense Authorization Act for Fiscal Year 2006 (Public Law 109–163) to maintain the prohibition on procuring military items from China. Section 1211 of the National Defense Authorization Act (NDAA) for Fiscal Year 2006 prohibits the Secretary of Defense from procuring goods or services, through a contract or any subcontract (at any tier), from any People's Republic of China military company if those goods or services are on the U.S. munitions list (USML) of the International Traffic in Arms Regulations. The executive branch has recently revised the USML by reclassifying and moving items that are not critical to maintain-

ing a military or intelligence advantage or otherwise warrant such controls to the jurisdiction of the "600 series" of the Commerce Control List, with the aim of increasing allied access to such items.

The committee agrees with the Department of Defense's (DOD) position that even though the items moved to the "600 series" are less-sensitive items, they are still military items and should remain prohibited for export to destinations subject to U.S. arms embargoes and, in the case of comparable People's Republic of China-origin items, should remain prohibited from procurement by the Department of Defense. As such this provision would include under the current prohibition military items moved from the USML to the "600 series" of the Commerce Control List. This would ensure the prohibition remains in place for the same universe of items as currently required under section 1211 and can be implemented in a change to Defense Federal Acquisition Regulations Supplement (DFARS) Clause 225.770. This provision would not expand or narrow the scope of items subject to the current prohibition. The committee believes that without an amendment, DOD could not maintain the prohibition. As a result, legislation is necessary to maintain the current prohibition effectively and more efficiently and to ensure that Chinese-origin military items are not procured by DOD in order to protect the security of the supply chain for U.S. weapons systems and other defense programs.

Subtitle H—Other Matters

Contractor business system requirements (sec. 891)

The committee recommends a provision that would amend chapter 137 of title 10, United States Code, to add a new section that would require the Secretary of Defense to develop and initiate a program to improve contractor business systems. The provision would clarify that this program would only apply to those contractors that do more than 30 percent of their business with the federal government and more than 1 percent of their business under cost type contracts. This should incentivize contractors that conduct more than 70 percent of their sales in the commercial market to utilize the same business systems they use in commercial marketplace.

The committee is concerned that the current Department of Defense (DOD) business systems regulation focuses on ensuring contractors have compliant procedures in contrast to the practice in the commercial market where commercial business systems focus on achieving optimal outcomes. While prescribed business systems may add some value to contractors that perform mostly military work, they force predominantly commercial companies to either adopt the DOD approach for only a small portion of revenue, or split their functional-support operations into separate government and commercial groups. In either case, DOD effectively foregoes the benefits that accrue when the contractor leverages its commercial buying power to offer DOD best value and quality. The committee believes the Department should maximize the advantages of commercial business practices wherever it can and not pay for commercial companies to waste unnecessary resources in complying with unique defense business systems requirements.

The committee is also concerned about cost to the Department in overseeing contractor earned value management systems (EVMS). On September 29, 2015, the Department of Defense released a study entitled "Eliminating Requirements Imposed on Industry Where Costs Exceed Benefits'" that assessed a number of recommendations by industry for reducing the overhead and other costs associates with contracting with the Department of Defense. Among other areas, the report examined a number of suggestions for streamlining the costs associated with administering the earned value management systems (EVMS) required on all cost or incentive contracts valued over $20.0 million. Currently, for cost and incentive contracts valued above a certain threshold, the Defense Federal Acquisition Regulation Supplement (DFARS) stipulates that the contractor must have an EVMS determined by the cognizant federal agency to be in compliance with ANSI/EIA–748 guidelines. The Defense Contract Management Agency (DCMA) implements this requirement for DOD by conducting compliance reviews of contractors' EVMS and annual system surveillance of approved systems.

At the time the report was prepared, the threshold contract value for mandatory EVMS compliance reviews and systems surveillance was $50.0 million. At this threshold, DCMA personnel were required at 142 sites to oversee EVM systems associated with 304 separate contracts with a total value of nearly $260.0 billion. The chart on page 59 of the report indicates that leaving the current EVMS requirements in place for contracts above $20.0 million, but increasing above $50.0 million the contract value threshold for routine EVM systems compliance surveillance could result in significant overhead savings by reducing the number of sites and contracts requiring DCMA personnel and continuing oversight while having a relatively small impact on the total contract dollars covered. For example, raising the contract value threshold from $50.0 million to $200.0 million would reduce the number of sites requiring DCMA personnel for this function from 142 to 85 and the number of contracts from 304 to 163. The total contract dollar coverage on the other hand would drop from $260.0 billion to $245.0 billion, representing only a 5.7 percent reduction.

On September 28, 2015, the DOD issued a DFARS deviation raising the contract value threshold from $50.0 to $100.0 million for routine EVM systems surveillance. The committee believes the data show that a further increase of the threshold to $200.0 million is warranted and urges the department to take this additional step as soon as is practicable. The committee notes in doing so that the department would retain its full rights to review contractor EVMS whenever it believes that a contractor's data quality appears suspect.

Authority to provide reimbursable auditing services to certain non-defense agencies (sec. 892)

The committee recommends a provision that would amend section 893 of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92) to provide an exception for the Defense Contract Audit Agency to provide audit support to the Nuclear Security Administration on a reimbursable basis.

Improved management practices to reduce cost and improve performance of certain Department Of Defense by Defense organizations (sec. 893)

The committee recommends a provision that would require all Department of Defense entities, with the exception of the Centers of Industrial and Technical Excellence designated pursuant to section 2474 of title 10, United States Code, which conduct commercial on non-inherently governmental work to establish cost baselines for their operations and begin to adopt best commercial and business management practices to reduce costs and improve the performance of such organizations. The committee expects that these organizations will be leading adopters of the cost accounting standards mandated in another section of this Act.

Director of Developmental Test and Evaluation (sec. 894)

The committee recommends a provision that would amend section 139 of title 10, United States Code, and section 196(g) of title 10, United States Code, that would refine the role of the Director of Operational Test and Evaluation. This provision would amend the sections so that the function of the Deputy Assistant Secretary of Defense for Developmental Test and Evaluation and the Director of Department of Defense Test Resource Management Center would be transferred to the Director of Operational Test and Evaluation.

This provision would also clarify the role of the Secretary of Defense for Test and evaluation issues with regard to the service chiefs and the secretaries of the military departments.

Exemption from requirement for capital planning and investment control for information technology equipment included as integral part of a weapon or weapon system (sec. 895)

The committee recommends a provision that would require that the milestone decision authority shall only apply the requirements of paragraphs (2) through (5) of section 11312(b) of title 40, United States Code, to national security systems upon a written determination that the application of these requirements is appropriate and in the best interests of the Department of Defense.

Modifications to pilot program for streamlining awards for innovative technology projects (sec. 896)

The committee recommends a provision that would amend section 873 of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92) to clarify that the use of a technical, merit-based selection procedure or the Small Business Innovation Research Program or Small Business Technology Transfer Program for the pilot program under this section are competitive procedures for the purposes of chapter 137 of title 10, United States Code. The provision would also direct the Secretary of Defense to establish procedures under which a small business or a nontraditional contractor may engage an independent certified public accountant for the review and certification of its accounting system for the purposes of any audits required by this section.

Enhancement of electronic warfare capabilities (sec. 897)

The committee recommends a provision that would amend section 806(c)(1) of the Bob Stump National Defense Authorization Act for Fiscal Year 2003 (Public Law 107–314) to add a new subparagraph addressing the rapid acquisition of electronic warfare capabilities. This provision would enhance the abilities of the Secretary of Defense to respond to the increasingly urgent threat in the area of electromagnetic spectrum warfare and more quickly field critical electronic warfare technologies.

Improved transparency and oversight over Department of Defense research, development, test, and evaluation efforts and procurement activities related to medical research (sec. 898)

The committee recommends a provision that would prohibit the Secretary of Defense from entering into a contract, grant, or cooperative agreement for congressional special interest medical research programs under the congressionally directed medical research program of the Department of Defense unless there is sufficient transparency on cost accounting and other specified requirements.

Extension of enhanced transfer authority for technology developed at Department of Defense laboratories (sec. 899)

The committee recommends a provision that would amend section 801 of the National Defense Authorization Act for Fiscal Year 2014 (Public Law 113–66) to extend the authorization granted to the Secretary of Defense and service secretaries in the Act until 2020. The committee notes the importance of the ability for the Department of Defense (DOD) to license DOD-owned intellectual property that may not have been patented yet and to maintain associated royalties for the advancement of DOD laboratories and innovation.

Rapid prototyping funds for the military services (sec. 899A)

The committee recommends a provision that would amend section 804(d) of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92) to authorize the Secretary of the Army, Navy, and Air Force each to establish service-specific funds for acquisition programs under the rapid fielding and prototyping pathways established in this section.

Defense Modernization Account (sec. 899B)

The committee recommends a provision that would amend section 2216 of title 10, United States Code, to clarify authorizations for the Defense Modernization Account. The Government Accountability Office (GAO) has in the past analyzed the limited use of the account in several reports and the committee included changes in the scope and application of the account to address GAO's findings.

Items of Special Interest

Defense industrial supply chain security

The industrial base that supports the Department of Defense is a vital factor in our national security capability. For decades, the Department has partnered with industry to command a decisive advantage when it comes to innovation and manufacturing of military systems. Today's defense industrial base is more commercialized and more globalized than ever before. While these trends have yielded valuable advantages in cost and performance of military systems, they also pose new challenges in managing supply chain risk and maintaining the technological superiority of the U.S. military. The success of efforts to better align national resources with current and future needs will depend on a robust, technologically-advanced U.S. industrial base supporting our warfighters.

The committee notes that the Department is already required to assess industrial base risk in making contract award decisions, including factors related to maintaining domestic capabilities. Therefore, the committee directs the Under Secretary Defense for Acquisition, Technology and Logistics to assess as part of the annual report requested by section 2504 of title 10, United States Code, on the extent to which manufacturing capabilities of major defense contractors that do more than $250 million in business annually with the Department has been offshored. The review should identify those contractors that have offshored manufacturing capabilities that specifically support major defense acquisition programs, including offshoring by their U.S. based parent and subsidiary companies and U.S. based joint ventures that support the defense industrial base.

Expansion of eligible small business concerns The committee

The committee is concerned that there is a disincentive for small businesses to grow their non-defense commercial business as they receive government contracts. The committee believes that one of the objectives of the small business contracting program should be to create entities that can eventually move beyond government contracting and compete in the broader commercial market. At the present time, a small business is penalized if it grows its commercial business by losing small business contracting benefits, and this fact serves as a disincentive to expanding into the commercial market. The committee requests that the Secretary of Defense review the advisability of being given the authority to continue to treat those small businesses that diversify into the commercial market as small business for a limited transition period and propose any legislative proposals necessary to encourage small business to be successful in both the defense and commercial markets.

Modification of commercial items definition

The committee is concerned about the Department of Defense's (DOD) increasingly narrow interpretation of the definition of commercial items. The committee considered several outside proposals to expand the underlying statutory commercial item definition with regards to commercial products but at this time decided that it was

premature to act as the current definition is appropriately broad enough to enable commercial companies to modify commercial products to meet DOD needs. If, however, the Department continues to inappropriately limit the scope of the commercial items definition and the committee continues to hear from non-traditional contractors from Silicon Valley and other innovative regions in the United States that the application of the commercial item definition continues to serve as a barrier to their participation in the DOD market the committee will reconsider whether to expand the statutory commercial item definition as it applies to DOD contracting.

The current "of a type" and "minor modifications" language were intended by Congress to be broadly interpreted to expand access to items that were beyond commercial off the shelf items. If there is a problem with the definition it appears to be the Department's repeated attempts to narrow the definition to conform to an oversight strategy that will inadvertently lead to less competition, increased costs and a greater concentration of defense unique contractors. The committee believes the Department should focus more on developing the skills and capabilities to price items commercially rather than creating a new bureaucracy to adjudicate commercial item determinations. Ultimately, to protect the taxpayer the Department will need to focus on value rather than process when it determines whether it paid a fair and reasonable price for an item.

Preserving competition in the defense industry

The committee notes that the Department of Defense (DOD) has expressed concern over the negative impacts that defense industry consolidation may have on the ability to develop, procure, and sustain military capabilities in a cost effective manner. Reduced competition can lead to cost growth, monopolistic behavior, and reduced incentives for efficiency and innovation. The committee further notes that the Department's authorities to address potential industry consolidation are unclear and potentially inadequate because of statutory and regulatory constraints.

Therefore, the committee directs the Secretary of Defense to engage an independent entity to analyze the adequacy of existing antitrust and foreign investment review authorities and the impact of DOD acquisition program strategies on defense industry consolidation. The independent entity should also examine the national security implications of mergers among major defense suppliers, as well as other mergers or changes in control activity within industry that may impact the national defense. The independent entity should make recommendations on possible actions by the executive branch and Congress to address issues in these areas.

The committee directs the Secretary to review such recommendations and take appropriate actions to ensure that the national defense interest is not jeopardized through security risks or an alteration of the defense industrial base that would limit competition or create prohibitive costs for the Department of Defense.

Small business contract bundling

The committee recommends that the Secretary of Defense, where appropriate and to the maximum extent practicable, issue solicita-

tions and task and delivery orders as set-asides for exclusive participation by small business concerns evenly across North American Industry Classification System (NAICS) codes. The committee also believes that the Secretary should limit excessive concentrations of small business within NAICS codes and limit the award of large contracts to small businesses that would force them to lose their small business status. While the committee is pleased to see the Department of Defense (DOD) meet its overall small business prime contracting goal, it is concerned about some of the means to achieve that goal. Excessive concentration of small business contracting in some business sectors is crowding out the middle tier of contractors and leaving very little room for small business to contract with the Department after they have graduated from being a small business. The committee is also concerned about the award of large contracts with small business that allow DOD to meet their contracting goals but are leading to a "one and done" outcome for small business who are no longer small businesses once they receive these large contracts. The committee expects the Secretary to establish small business policies that are designed to create a more diverse and robust industrial base and create opportunities and a pathway for small businesses to grow and compete for future DOD contracts as larger entities.

TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

Subtitle A—Office of the Secretary of Defense and Related Matters

Under Secretary of Defense for Research and Engineering and related acquisition position in the Office of the Secretary of Defense (sec. 901)

The committee recommends a provision that would amend section 133 of title 10, United States Code, to establish the position of the Under Secretary of Defense for Research and Engineering. The Under Secretary for Research and Engineering would assist the Secretary by serving as the chief acquisition officer and the chief technology officer of the Department of Defense and the principal adviser on scientific, technological and acquisition matters to the Secretary and to the Deputy Secretary of Defense.

The provision would also amend section 138 of title 10, United States Code, to consolidate certain Assistant Secretary of Defense positions and to establish a new position of Assistant Secretary of Defense for Acquisition Policy and Oversight. The provision would eliminate the statutory requirements that establish the positions of the Assistant Secretary of Defense for Acquisition, the Assistant Secretary of Defense for Logistics and Materiel Readiness, the Assistant Secretary of Defense for Research and Engineering, and the Assistant Secretary of Defense for Energy, Installations, and Environment, but would not disestablish the underlying positions. The committee expects the Secretary of Defense to designate the positions and duties of such other Assistant Secretaries of Defense as best support the requirements of the Department. The provision would also repeal section 139b and 139c, to eliminate the statutory requirements that establish the positions of the Deputy Assistant Secretary of Defense for Developmental Test and Evaluation, the Deputy Assistant Secretary of Defense for Systems Engineering, and the Deputy Assistant Secretary of Defense for Manufacturing and Industrial Base Policy.

The provision would also make conforming amendments and would require the Secretary of Defense to submit a report to the Committees of Armed Services of the Senate and the House of Representatives, within 180 days after the date of enactment of this Act, with recommendations for conforming and such other amendments as the Secretary considers appropriate to effect the amendments made by this provision.

In the 1960s and the 1970s the Director of Defense for Research and Engineering which later became the Undersecretary of Defense for Research and Engineering in 1977 led technological innovation in the Department of Defense. The position was held by leaders

such as Harold Brown and William Perry, each of whom later became Secretary of Defense. The USD(R&E) was the catalyst behind the Department's Second Offset program, which led to the development of stealth, precision guided munitions, and other revolutionary capabilities that advanced our nation's military technological dominance to this day.

During a series of hearings on defense reform, the committee heard from a wide range of experts that the U.S. military was falling behind technologically and that the current acquisition structure and process were significant factors in the inability to access new sources of innovation. The committee believes that reestablishing the position of the USD(R&E) is particularly important in a time when U.S. technological dominance is eroding and innovation is increasingly being driven by commercial and global companies that are not a part of the traditional U.S. defense industrial base. The committee expects that just as previous USD(R&E) incumbents led the so-called "Second Offset" strategy, which successfully enabled the United States to leap ahead of the Soviet Union in terms of military technology, the new USD(R&E) would be tasked with driving the key technologies that must encompass what defense leaders are now calling a "Third Offset" strategy: cyber and space capabilities, unmanned systems, directed energy, undersea warfare, hypersonics, and robotics, among others.

The existing Assistant Secretary of Defense for Nuclear, Chemical, and Biological Defense would be part of this new USD(R&E) because of the centrality of the nuclear modernization mission. In addition, the committee expects the USD(R&E) to leverage offices such as the Strategic Capabilities Office and the Rapid Capabilities Offices in the services, which have been created recently to move faster around the current acquisition system and to transition developed technologies more quickly from the laboratory to deployment. In addition, the committee anticipates that the USD(R&E) will be a unifying force to focus the efforts of the defense laboratories, as well as agencies with critical innovation missions, such as the Defense Advanced Research Projects Agency, the Defense Threat Reduction Agency, and the Missile Defense Agency on achieving and maintaining U.S. defense technological dominance.

To enable the USD(R&E) to primarily focus on the innovation mission, this provision creates a new Assistant Secretary of Defense for Acquisition Policy and Oversight under the USD(R&E) and transfers several agencies focused on the execution of acquisition functions to the Under Secretary for Management and Support. Continuing to maintain these functions under the USD(R&E) would likely divert needed senior management attention away from the impending threats that the nation faces and the necessity to advance innovation throughout the Department and with partners in the defense and commercial sector. In addition a Deputy Assistant Secretary for Logistics and Sustainment was created to support the Assistant Secretary of Defense for Acquisition Policy and Oversight on these matters.

The changes included in the provision are informed by the committee's observation that the official serving as the chief acquisition and technology officer should be focused on envisioning and developing the advanced technologies that the nation will need over the

next decade or two to stay far ahead of our strategic adversaries. The committee believes that improving defense innovation requires a greater willingness to experiment and accept risk. Experimentation and even occasional failure cannot be stigmatized, so long as failure occurs quickly, cheaply, and leads to knowledge that can drive toward eventual success. That is a different kind of culture than the pervasive caution and slowness that currently exists across the Department of Defense acquisition and research enterprises.

One former Deputy Secretary of Defense recently observed that the nation lost something important thirty years ago when USD(R&E) was folded together with all other acquisition functions under USD(AT&L). The numerous acquisition reform authorities contained in last year's National Defense Authorization Act, and the many more proposed in this year's Act, are largely focused on empowering the Secretary of Defense to work around DOD's slow and costly acquisition system, to access new centers of innovation and disruptive new technologies in our commercial economy, and to reclaim our eroding defense technological advantage. This was the mission that the Under Secretary for Research and Engineering once performed so effectively, and the committee believes should be empowered to do again.

Qualifications for appointment of the Secretaries of the military departments (sec. 902)

The committee recommends a provision that would amend sections 3013, 5013, 8013 of title 10, United States Code, to prescribe management experience of large and complex organizations as qualification required for individuals to serve as the Secretaries of the Army, Navy, and Air Force, respectively.

Establishment of Assistant Secretary of Defense for Information (Chief Information Officer) in Office of Secretary of Defense (sec. 903)

The committee recommends a provision that would amend paragraph 8 of section 132(b) of title 10, United States Code, to establish the position of the Assistant Secretary of Defense for Information. As the Chief Information Officer of the Department, the Assistant Secretary will report to the Secretary and Deputy Secretary of Defense and be responsible for cyber and space policy, information network defense, policies and standards governing information technology systems and related information security activities of the Department, and oversight of the Defense Information Systems Agency.

Reduction in maximum number of personnel in Office of the Secretary of Defense and other Department of Defense headquarters offices (sec. 904)

The committee recommends a provision that would:

(1) amend section 143 of title 10, United States Code, to limit the number of civilian and detailed individuals authorized to be assigned to the Office of the Secretary of Defense to 3,767;

(2) amend section 155 of title 10, to limit the number of personnel on the Joint Staff to 1,930 including not more than 1,500 Active-Duty servicemembers;

(3) amend section 3014 of title 10, to limit the total number of members of the Armed Forces and civilian employees of the Department of the Army assigned or detailed to permanent duty in the Office of the Secretary of the Army and on the Army staff to 3,105; and to reduce the total number of general officers assigned or detailed to permanent duty in the Office of the Secretary of the Army and on the Army staff from 67 to 50.

(4) amend section 5014 of title 10, to limit the total number of members of the Armed Forces and civilian employees of the Department of the Navy assigned or detailed to permanent duty in the Office of the Secretary of the Navy and on the Navy staff to 2,866; and to reduce the total number of flag officers assigned or detailed to permanent duty in the Office of the Secretary of the Navy and on the Navy staff from 67 to 50.

(5) amend section 8014 of title 10, to limit the total number of members of the Armed Forces and civilian employees of the Department of the Air Force assigned or detailed to permanent duty in the Office of the Secretary of the Air Force and on the Air Force staff to 2,639; and to reduce the total number of general officers assigned or detailed to permanent duty in the Office of the Secretary of the Air Force and on the Air Force staff from 60 to 45.

The provision would further clarify the exceptions to the personnel limits. It would allow the limits to be increased by 15 percent during a national emergency.

Limitations on funds used for staff augmentation contracts at management headquarters of the Department of Defense and the military departments (sec. 905)

The committee recommends a provision that would limit the amount of funds available for staff augmentation contracts at the Office of the Secretary of Defense and the headquarters of the military departments for fiscal years 2017 and 2018 to not more than the amount expended for those contracts in fiscal year 2016. The provision would further require a 25 percent reduction to the fiscal year 2016 funding for those contracts after fiscal year 2018.

Unit within the Office of the Secretary of Defense supporting achievement of results in Department of Defense management reform and business transformation efforts (sec. 906)

The committee recommends a provision that would provide the Secretary of Defense with the authority to establish a delivery unit that would report directly to the Secretary to provide expertise and support needed to deliver results on key reform and business transformation priorities across the Department for no more than four years beginning February 1, 2017. Such delivery unit may utilize the public-private talent exchange authorities available to the Secretary and consist of no more than 30 professionals with deep experience in management consulting, organization transformation, and

data analytics. The delivery unit's mission is as follows: (1) help line managers develop and implement roadmaps to achieve reform targets set by the next Secretary of Defense and (2) enable the Secretary and Deputy to monitor progress and make course corrections in near real time for faster, data-driven decision making. Such delivery unit shall leverage on the Department's current exchange programs with the private sector to utilize proven data analytics and management consulting practices. An authorization of $30.0 million will be made available for the delivery unit and will not be available for expenditure until February 1, 2017.

Subtitle B—Combatant Command Matters

Joint Chiefs of Staff and related combatant command matters (sec. 921)

The committee recommends a provision that would amend section 151 and 153 of title 10, United States Code, to clarify the role of the Chairman of the Joint Chiefs of Staff and the key duties that this officer must perform on behalf of the joint force: providing advice on the military elements of defense strategy and the global integration of military activities, and advocating for the joint warfighter of today and tomorrow, especially with respect to developing joint capabilities, ensuring comprehensive joint readiness, and fostering joint force development. While the personalities of different Chairmen will always have a bearing on how they execute the duties of the position, this provision seeks to clarify that role and thereby set an expectation that the preponderance of any Chairman's time should be devoted to the key strategic, global, and joint duties that are the unique purview of the Chairman.

The provision would also enhance the role of the other members of the Joint Chiefs, and the Joint Chiefs of Staff as a corporate body, to provide military advice to civilian leaders, including on the military elements of strategy. Current law leaves it at the Chairman's discretion how much to consult with the other Joint Chiefs and whether to inform civilian leaders of any difference of opinions or alternative military advice among them. This provision would seek to strike a better balance between enabling the Chairman to act energetically and quickly as the principal military adviser to civilian leaders.

The provision would also strike the requirement that the Joint Chief provide advice to civilian leaders "upon request." A statutory requirement that the Chiefs should follow orders strikes the committee as unnecessary. At the same time, the committee is concerned that this section of the law could be interpreted to suggest that the Joint Chiefs can only provide advice upon request. For that reason, the committee recommends removing the requirement.

The committee also recommends a provision that would amend section 152 of title 10, to modify the term of service of the Chairman and Vice Chairman of the Joint Chiefs of Staff. At present, both officers serve two year terms with eligibility for a two year renewal, provided the consent of the Senate in both cases. The committee agrees with Secretary of Defense Robert Gates, who testified to the committee on October 21, 2015, that the existing term of service created unintended and unnecessary adverse consequences,

and that it should be replaced with single four-year terms, with the authority for a single two-year extension.

At the same time, the committee recommends a provision that would amend section 154 of title 10, to require the Department of Defense to return to the staggered terms of service for the Chairman and Vice Chairman, which would prevent both officers from turning over at the same time, which has been the case since 2007 but was not as the law originally intended. The committee also recommends a provision that prohibit the Vice Chairman from being eligible to serve as the Chairman or any other position in the armed services. The committee believes that this adjustment to the law would ensure a high quality of military advice to civilian leaders, and ultimately strengthen civilian control over the military.

The committee also recommends a provision that would amend section 164 of title 10, to more clearly define the role of the combatant commanders (COCOMs). The law that defines the COCOM's duties simply states that they shall perform the missions assigned by the Secretary and the President. It provides no guidance about the substance of those duties. This provision would establish that the primary duties of the COCOMs are to execute the national defense strategies in consultation with the Chairman of the Joint Chiefs of Staff, to prepare and plan for conflict, to take necessary actions to deter conflict, and if directed by the Secretary, to command U.S. armed forces in combat. This provision would not prohibit the COCOMs from performing other missions, many of which are vitally important, but would rather seek to focus the COCOMs more clearly on their core missions of warfighting excellence, which is what the commands were established to do.

Finally, the committee recommends a provision that would amend chapter 6 of title 10, United States Code, to establish a new section 163a that would create a Combatant Commanders Council, consisting of all the COCOMs, the Chairman and Vice Chairman of the Joint Chiefs of Staff, and the Secretary of Defense, who would convene the Council and set the agenda, but could delegate that authority to the Chairman. In the event that the Secretary did not attend a meeting of the Council, he could send a representative. The purpose of the Council would be to aid in the execution of defense strategy and the global integration of military activities across the regional and functional divisions of the COCOMs. This is increasingly important in light of the fact that the highest priority worldwide threats facing the United States increasingly span multiple COCOM areas and domains of responsibility and require their seamless integration.

Delegation to Chairman of Joint Chiefs of Staff of authority to direct transfer of forces (sec. 922)

The committee recommends a provision, requested by the Department of Defense, that would amend section 113 of title 10, United States Code, to allow the Secretary of Defense to delegate some authority to the Chairman of the Joint Chiefs of Staff for the worldwide reallocation of limited military assets on a short-term basis, consistent with the Secretary's policy guidance and the national defense strategy. The Secretary would retain control over

whether to delegate any authority—and if so, how much—and would be fully informed of any actions taken by the Chairman.

At present, the Chairman is solely an advisor. He or she has no authority to command any forces or assets, which was one way that the Goldwater-Nichols Department of Defense Reorganization Act of 1986 guarded against over-centralizing military power in the Chairman's hands and protected civilian control of the military. As a result, any transfer from one COCOM area of responsibility to another of any military capability, be it an aircraft carrier or a military working dog, must be approved by the Secretary. In light of present and future transnational challenges, the committee is believes the law is overly restrictive, and leads to a less responsive and efficient global integration of defense strategy and military operations, which could become more pronounced and problematic during a crisis. The purpose of this provision would therefore be to strengthen the Chairman's ability to assist the Secretary with the global integration of military operations in order to address transregional, cross-functional, and multi-domain threats more effectively.

Organization of the Department of Defense for management of special operations forces and special operations (sec. 923)

The committee recommends a provision that would amend sections 138 and 167 of title 10, United States Code, to modify the roles and responsibilities of the Assistant Secretary of Defense for Special Operations and Low Intensity Conflict (ASD SOLIC) and the Commander of U.S. Special Operations Command (SOCOM).

The committee notes that since 2001, SOCOM has undergone significant growth. During that time, SOCOM personnel numbers (civilian and military) have nearly doubled, its budget nearly tripled, and overseas deployments of special operations forces (SOF) nearly quadrupled. At the same time, the office of the ASD SOLIC, which is responsible for "the overall supervision (including oversight of policy and resources) of special operations activities," has increasingly focused attention on operational issues as well as assuming responsibilities for counter-narcotics programs, building partner capacity initiatives, and humanitarian and disaster relief efforts of the DOD, which have stretched the resources available to the office.

As a result, ASD SOLIC's ability to provide appropriate "service secretary-like" oversight of and advocacy for the "man, train, and equip" aspects of SOCOM have become more difficult. Additionally, other civilian offices with greater seniority within the Department exercise related and, at times, overlapping responsibilities for aspects of SOF oversight, further complicating the ASD SOLIC's "service secretary-like" oversight responsibilities of SOCOM.

To address these issues, the recommended provision would empower the ASD SOLIC with "the overall supervision (including oversight of policy, program planning and execution, and allocation and use of resources) of special operations activities." Further, the provision would mirror the relationship between the service secretaries and the military services by defining the administrative chain of command for SOCOM as running through the ASD SOLIC

to the Secretary of Defense for "service-like" issues impacting the readiness and organization of SOF, special operations-peculiar resources and equipment, and civilian personnel management. It would not impact the operational chain of command for SOF activities or the "service-common" responsibilities of the military services including personnel and other matters that are not special operations-peculiar. Additionally, the provision would establish a team, led by the ASD SOLIC, for the purposes of better integrating efforts of the various functional offices with responsibilities for SOF issues.

Lastly, recognizing the growth and maturity of SOCOM and the responsibility of its commander for the overall readiness of SOF, the recommended provision would enhance the ability of the commander to coordinate with the military services on issues impacting the readiness of SOF, most notably assignments, retention, training, professional military education, and special and incentive pays.

Pilot program on organization of subordinate commands of a unified combatant command as joint task forces (sec. 924)

The committee recommends a provision that would direct the Secretary of Defense to initiate a pilot program on organizing the subordinate commands of a unified combatant command in the form of joint task forces. The Secretary would be required to establish the pilot program in at least one unified combatant command. The Secretary would be required to develop, for each combatant command participating in the pilot program, a plan to disestablish subordinate commands, identify major threat-based missions and contingencies in the area of responsibility, and establish subordinate commands as joint task forces. The plans will be developed in consultation with the Chairman of the Joint Chiefs of Staff and the commander of the combatant command participating in the pilot program. The provision includes specific guidance on the objectives of each joint task force created, and how the creation of the joint task forces in general are intended to overcome problems in the organization, mission performance, planning and decision-making, and prioritization that can be improved through trans-regional, cross-functional, and multi-domain threats.

The plans required to be developed under the provision shall be completed by March 1, 2017, and implemented not later than September 1, 2017. The Secretary shall submit the plans to the congressional defense committees. The Secretary shall provide a report on each plan so created not later than September 1, 2018.

Expansion of eligibility for deputy commander of combatant command having United States among geographic area of responsibility to include officers of the Reserves (sec. 925)

The committee recommends a provision that would amend section 164 of title 10, United States Code, to require that at least one deputy commander of the combatant command of the geographic area of responsibility which includes the United States be a member of a reserve component of the Armed Forces, unless a reserve

component officer is serving as commander of that combatant command.

Subtitle C—Organization and Management of Other Department of Defense Offices and Elements

Organizational strategy for the Department of Defense (sec. 941)

The committee recommends a provision that would require the Secretary of Defense to develop and implement an organizational strategy for the Department of Defense (DOD). This strategy would enable the Department to focus its attention and resources on its most important missions and objectives through the introduction of mechanisms to integrate planning and decision-making across its functionally aligned organizations, accompanied by cultural changes in the Department to emphasize collaboration and teamwork.

The provision would require the Secretary, in developing the strategy, to (1) identify the most important missions and other priority output of the Department; (2) reform the way that the Office of the Secretary of Defense (OSD) operates; (3) improve the management of relationships and processes involving OSD, the Joint Staff, the combatant commands, the military departments, and the defense agencies; and (4) improve support to the President and the National Security Council.

The objectives of the strategy are to enable DOD to integrate the expertise and capacities of its functional components to effective and efficient accomplishment of the Department's most important missions, and to enable the Department to operate at higher efficiencies with reduced layers of management and staffing.

The strategy is required to address, and be designed to overcome, a series of existing impediments, including (1) sequential, hierarchical planning and decision-making processes oriented around functional bureaucratic structures that are excessively parochial, duplicative, and resistant to integrated operations and solutions; and (2) layered management structures and processes that today serve as the only means of cross-functional integration and decision-making, which results in most decisions being elevated to senior levels, consuming excessive time and leadership attention, diluting the influence of staff expertise, and contributing to outcomes based on lowest-common-denominator consensus rather than clear, coherent, efficacious courses of action.

The strategy must address the underlying causes of these problems, including (1) a non-collaborative culture in DOD that lacks shared purpose and values; (2) structure, processes and leadership behaviors that value consensus more than clarity and reward effort rather than effectiveness, which thus empower components to easily block but not advance coherent initiatives and are a powerful disincentive to collaboration; (3) risk aversion arising from fear of the consequences of real or perceived failure and the lack of incentives and rewards for appropriate risk-taking; (4) lack of viable alternative mechanisms for integrating across the almost exclusively functionally aligned components of the Department. Finally, the provision would require that the Secretary's strategy establish, or

take specific actions, to achieve (1) effective cross-functional mission teams to manage the major issues and other high-priority outputs of the Department that inherently cross functional boundaries; (2) a collaborative, team-oriented, results-driven and innovative culture within the Department; (3) a simplified organizational structure with reduced layers of management and fewer duplicative staff elements; and (4) streamlined processes designed to improve performance and outcomes in less time.

In support of the strategy, the provision would require the Secretary to establish cross-functional mission teams to produce comprehensive and fully integrated policies, strategies, plans, resourcing, and oversight; and to empower these teams to supervise the implementation of mission strategies.

The Secretary would be required to issue a directive on the role, authorities, resourcing, manning, and operations of the mission teams, which must specify that the teams are decision-making rather than advisory bodies, and provide clear direction that the leaders of DOD's functional components providing personnel to the teams (1) not interfere in the activities of the team; (2) shall instruct personnel assigned to the teams to faithfully represent the views and expertise of their functional components while contributing to the best of their ability to the success of the mission team concerned; and (3) shall be assessed for performance review purposes according to their support to, and cooperation with, the mission teams interacting with their functional components.

In creating the cross-functional mission teams required by the provision, the Secretary would be required to consider all the major functions of the Department of Defense; that is, representation from OSD, the Joint Staff, the military departments, and the defense agencies in the functional areas of policy, strategy, intelligence, budget, research and engineering, procurement, manpower, logistics, cost assessment and program evaluation, test and evaluation, or any other functional area the Secretary deems appropriate given the team's assigned mission.

The committee stresses that the mission teams must remain small and agile, numbering approximately 8–10 people. This is a critical point. One way that teams fail in DOD is that every organization that thinks its equities might be affected insists on having a representative on the group. This bloats and infiltrates the group with people who only care about protecting their parent organizations' equities.

The provision would require that team leaders (1) be selected from among experienced and highly qualified military personnel in the grade of general or flag officer, or civilians from the Senior Executive Service, and report directly to the Secretary and Deputy Secretary of Defense; (2) be delegated the authority to select members of their teams from among candidates of any grade or rank recommended by all components of the Department; (3) be delegated the authority to require the full-time support from team members as the team leader considers appropriate, and to co-locate the team physically; (4) ensure that team members are properly trained in teamwork, resolving healthy conflicts between competing perspectives, collaboration, and that team members understand their role in representing the views and expertise of their func-

tional components without inappropriately pursuing the narrow interests of their home organizations; and (5) are made available to the congressional defense committees to provide testimony and other forms of updates on the progress of the mission teams they manage.

The provision would require the Secretary to approve the charter and internal planning strategy of each team, and to specify what, if any, decision-making authority the Secretary shall retain regarding the team's activities. The more authority the Secretary retains the more the Secretary will have to be involved in the team's ongoing activities. Otherwise the Secretary delegates authority to the teams to make decisions both with regard to drawing upon the resources and information of functional components, and making substantive decisions regarding the formulation and execution of their strategies. In this regard, the committee stresses that the team leaders shall have presumptive authority to draw upon the resources and information of the functional components of the Department. Without this presumptive authority the teams will not succeed. However, the provision also includes a "right of appeal" for the heads of components who believe that a mission team decision might have very serious adverse consequences for their components. The committee emphasizes that this right of appeal should be limited to principled, substantive concerns, and is not at all a license to protect narrow bureaucratic interests. The committee expects the Secretary and Deputy Secretary to have little patience or tolerance for unprincipled appeals under this authority.

The provision would require the Secretary to conduct a review of industry and government successes and failures with cross-functional teams, with the assistance of outside experts in organizational science and management to identify lessons learned for application to the Department's own mission teams.

Regarding the challenge of changing the prevailing culture in the Department, the provision requires the Secretary to issue directives on (1) DOD's shared purposes, values, and principles that set forth the Secretary's expectations for a team-oriented, results-driven culture that supports DOD's key missions and cross-boundary collaboration; (2) the collaborative behavior the Secretary expects from all OSD personnel; (3) policies that establish cross-boundary collaboration as half of the performance review criteria for each official in leadership positions, including the mission team leaders and the heads of components providing personnel or other resources to the teams; and (4) policies requiring successful service as a leader or member of mission teams for promotion in the Senior Executive Service above a level to be specified by the Secretary. The Secretary would also be required to provide a course of instruction to all OSD officials who are Senate-confirmed in leadership, modern organizational practice, collaboration, and the proper functioning of successful cross-functional teams.

The provision would require the next Secretary of Defense, within a year after Senate confirmation, to take such actions as the Secretary deems appropriate considering the progress and performance of mission teams, to streamline the organizational structure and processes of the Department, achieve a reduction in management layers, eliminate unnecessary duplication between OSD and

the Joint Staff, and reduce the time required to complete standard processes and activities. In carrying out this requirement, the provision would require the Secretary to consult with the Defense Business Board and with outside individuals and organizations with recognized expertise in cross-functional teams, organizational science, and private-sector best practices on horizontal integration and cross-functional collaboration.

The provision would require that nominees for Senate-confirmed positions in OSD, as a condition of their confirmation, complete a course of instruction in leadership, modern organizational practice, collaboration, and the operation of mission teams. The President may waive this requirement for individuals if the Secretary of Defense determines in writing that the individual possesses through training and experience, the skills and knowledge otherwise to be provided by the course of instruction.

Finally, the provision would require the Comptroller General to assess and report to the Committees on Armed Services of the House of Representatives and the Senate on a bi-annual basis the actions taken by the Department of Defense under this provision during the previous six months and cumulatively since the date of enactment of this Act. This requirement would end on December 31, 2019.

The committee has determined that the Department must transform itself to more effectively and efficiently carry out its missions in the complex, rapidly changing security environment of the 21st Century. The Department needs a comprehensive roadmap to guide this critical transformation—a roadmap that describes the desired future state of the Department's organizational capacities and agility, actions needed to achieve this future state, the priority and sequencing of each action, and the pace at which the Department can implement them. The organizational strategy mandated by the committee will provide this roadmap. The strategy should address the entire defense enterprise and all elements of organizational effectiveness. Foremost among these is shared values which encompasses a vision for the Department, identification of missions, and an articulation of the principles by which the department will operate. The strategy should also address processes, structure, core competencies, talent management, organizational culture, and leadership behavior. The committee expects each of these elements to be addressed in the organizational strategy and in an integrated manner, so that there is a good fit among the elements.

Although the new administration's Secretary of Defense must produce and own this organizational strategy, preparatory work in support of this strategy effort should begin immediately. The current Secretary of Defense should initiate research and analyses in each element of organizational effectiveness, such as identifying the characteristics of the Department's current culture and subcultures.

This provision represents the fulfilment of an unfinished goal of the original Goldwater-Nichols reform agenda from 30 years ago. The 1985 staff report of the Senate Armed Services Committee, Defense Organization: The Need For Change, identified "mission integration" as the most important organizational problem facing the Department. The report noted that mission integration is critical at

both the operational level, consisting of the combatant commands, and at the policy-making level in the Washington headquarters organizations of the Department. Ultimately, the Goldwater-Nichols Act was able to address the joint, mission integration challenge only at the operational command level; correcting the mission integration problems in the Washington headquarters organizations proved to be, in the words of the principal author of the staff study, "a bridge too far."

This critical task went unmet not for lack of analysis and effort. The staff study makes clear that the committee thought deeply about how to alter the organization and culture in the Office of the Secretary of Defense (OSD), and the processes through which OSD engaged with the Joint Chiefs, the Joint staff, the military services, and the combatant commands. The pursuit of a solution was ultimately deferred because the committee was not satisfied with the options available at the time. This conclusion was not surprising, because at that time even leading private-sector corporations had not determined how to effectively balance mission or "product" alignment against functional orientation, as the staff study observed. The committee evaluated mission-oriented organizational structures, matrix-management concepts, hybrid arrangements, and all manner of combinations thereof. Although the committee did not arrive at what it considered an effective solution, there is no doubt about the existence of a problem. The lack of mission focus and integration in DOD that existed 30 years ago has been only more acutely felt in the decades since, as national security challenges have become more varied, complex, and cross-cutting.

The committee's indictment of DOD's almost exclusive functional organization and orientation in the mid-1980s retains its relevance today. The staff study observed that:

The three principal organizations of the Washington Headquarters of DoD—the Office of the Secretary of Defense, the Organization of the Joint Chiefs of Staff, and the Military Departments—are focused excessively on functional areas, such as manpower, research and development, and installations and logistics. This functional structure serves to inhibit integration of Service capabilities along mission lines, and, thereby, hinders achieving DoD's principal organizational goal of mission integration. The focus of organizational activity is on functional efficiency (or, in other terms, management control of functional activities) and not on major missions and their objectives and strategy. Without extensive mission integration efforts, numerous deficiencies occur:

In colloquial terms, material inputs, not mission outputs, are emphasized.

A sharp focus on missions, where DoD must compete with potential adversaries, is lost in the functional diffusion.

Strategic planning is inhibited by the absence of an organizational focus on major missions and strategic goals.

Service interests rather than strategic needs play the dominant role in shaping program decisions.

Functions (e.g., airlift, sealift, close air support) which are not central to a Service's own definition of its missions tend to be neglected.

Tradeoffs between programs of different Services that can both contribute to a particular mission are seldom made.

Opportunities for non-traditional contributions to missions (e.g., Air Force contributions to sea control) are neither easily identified nor pursued.

Headquarters organizations are not fully attuned to the operational, especially readiness, requirements of the unified commanders.

Interoperability and coordination requirements of forces from the separate Services are not readily identified.

Ultimately, the committee decided that none of the contemplated solutions to these problems was compelling enough to be mandated through the Goldwater-Nichols Act. Within a few years, however, new approaches to cross-functional integration developed by leading private-sector companies and industries began to sweep across the business world. Private-sector innovation with small but empowered "cross-functional teams" demonstrated that products and other critical company output could be developed much faster, and with significantly better results, than through sequential and iterative processes mediated by hierarchically structured functional silos. These new practices have also often eclipsed alternative approaches such as product lines that each incorporate functional capabilities, or complex matrixed solutions that combine functional and mission management. Industry use of small cross-functional teams to enable integrated solutions does not supersede functional organization but rather builds on and complements the centers of functional expertise. The functional components grow and provide the experts and expertise that are the building blocks of integrated solutions.

Industry success with this innovation in horizontal integration was neither easy nor guaranteed. Thorough cultural change was necessary to ensure a harmonious balance between functional and cross-cutting mission loyalties. Teams had to be given real authority to develop and implement strategies using the resources of the functional organizations, and functional leaders had to be convinced that their responsibility for providing functional capabilities remained critically important. Rewards and incentives had to be realigned to support teamwork among representatives of diverse functional components without diluting the career tracks that ensure functional excellence. Training in teamwork that allowed teams to resolve conflict productively proved to be a critical ingredient for success. Top management had to be fully committed to the work of the cross-functional teams, ensuring that they were not undermined by the managers of functional components, and making it clear that the integrated teams were decision-making bodies and not advisory "committees."

Corporations learned that empowered cross-functional teams required complementary changes in organizational processes and culture, but also that once successful cross-cutting mechanisms were in place, they could manage large enterprises and complex processes with fewer management layers, less staff redundancy, and increased spans of control that permit end-to-end management of desired output (or outcomes) while increasing productivity and quality. Empowering integrated teams of experts with effective leader-

ship eliminated the need for some management layers that previously served to progressively bridge functional silos to resolve disputes and make decisions. Instilling collaborative cultures improved information flow among organizational components so that there was less perceived need for functional redundancy (liaisons, various cross-cutting information sharing but powerless groups of one sort or another, or duplicative staff elements such as regional experts in each functional element, etc.). Initially adding cross-functional teams to existing functional structure seems more complicated, but over time it eliminates numerous ineffective organizational elements and thus reduces wasted staff time and simplifies the overall organizational construct.

By the mid-1990s, Secretary of Defense Perry was aware of private-sector success with these horizontal integration mechanisms, and attempted to impose them in the Department of Defense. In 1995, he announced he was instituting a "fundamental change" in DOD organization and culture by mandating the use of cross-functional/cross-organizational "Integrated Product Teams" (IPTs). The ensuing directives establishing and defining these IPTs appear to be sound representations of industry practices. However, Secretary Perry's directives applied IPTs mainly to acquisition programs, and not to the missions—the core output—of DOD. In addition, and especially over time, the prerequisites for successful teams were not observed, so that they usually take the form of committees of individuals representing and defending the interests of their functional components.

More broadly, the National Performance Review (NPR) that spanned both terms of President Clinton also took note of the global revolution in horizontal integration in the private sector. NPR reports decried the "stovepiped" functional structure and processes within individual departments and agencies, and noted that each department and agency of the government was in turn a functional stovepipe that inhibited effective interagency collaboration to achieve policy objectives. The NPR noted that the President was ill-served by this poor intra- and inter-agency collaboration, especially given that complex modern challenges inherently cut across organizational boundaries. The NPR called for empowered interagency teams and, within departments and agencies, cross-functional teams to meet the need for integrated plans and actions.

During the Bush Administration, General Pace, Chairman of the Joint Chiefs of Staff, initiated a study effort that eventually became the congressionally funded Project on National Security Reform (PNSR), led by the former committee staff lead for the Goldwater-Nichols Act. A fundamental conclusion of PNSR's comprehensive analysis of the national security system is that effective strategy formulation and policy implementation are stymied by the lack of mechanisms to integrate across functionally aligned departments, components and interests. A core element of the PNSR reform agenda is empowered cross-functional teams in the interagency space. Other government-sponsored reviews have echoed these findings, including the 2006 interagency "Project Horizon" study, which recommended interagency "fusion cells," and the 2010 congressionally-mandated independent panel critique of the De-

partment of Defense's Quadrennial Defense Review, which recommended standing interagency teams.

In addition, the committee notes that the Central Intelligence Agency is currently in the implementation phase of a major organizational reform initiative, which is based on the creation of small, empowered cross-functional teams from the Agency's functional directorates to support and manage the Agency's most important missions and mission centers. The Agency is undertaking this large-scale organizational reform to remedy precisely the same organizational limitations detailed in this report.

The committee determined that OSD's culture is misaligned with what is required for effective organizational performance in today's security environment. The culture is too rule-oriented, bureaucratic, risk averse in decision-making, and competitive among components. OSD's culture is typical of most public-sector institutions. In this regard, OSD's culture must be reshaped to one that is collaborative, team-oriented, results-oriented, and innovative. Reshaping a culture will require numerous efforts to establish new norms and behaviors and eliminate counterproductive norms and behaviors. These efforts include well-articulated shared values, management actions and behavior, organizational and individual incentives, and education and training. To begin these actions, the provision mandates the issuance of a directive on purposes, values, and principles; a directive on collaborative behavior; and a directive on OSD and Joint Staff collaboration. The provision includes two incentives for individuals. It would specify that cross-boundary collaboration would constitute 50 percent of the performance review criteria for individuals in leadership positions specified by the Secretary of Defense. The provision would also require successful service as a leader or member of a mission team as a condition for promotion in the Senior Executive Service as specified by the Secretary. Lastly, the provision would require a course of instruction in leadership, modern organizational practice, collaboration, and functioning of mission teams by Senate-confirmed officials in OSD.

The committee found numerous problems in OSD's structure and processes. Most notably, Secretaries and Deputy Secretaries of Defense feel poorly supported by the OSD staff. The numbers of management layers and senior personnel have continued to increase and until recently there was steady growth in the number of OSD personnel. Processes are sequential, stove-piped, and Industrial Age, resulting in slow, cumbersome, and frequently overly centralized decision-making. As a result of these problems, OSD is increasingly hard to manage, unwieldy, and underachieving. To correct this unacceptable situation, the committee's provision would direct the Secretary of Defense to take appropriate action to streamline OSD's structure and processes within one year of the Secretary's appointment. The Secretary would also be required to report his or her proposed actions to the two Armed Services Committees.

The committee's proposed provision for fundamentally reforming the culture and processes in the Department of Defense is informed by decades of consistent analyses of serious management problems, and common recommendations for corrective actions. In turn, these analyses are informed by the consistent, long-term, and widespread

private-sector success with mission-oriented horizontal integration mechanisms coupled with cultural change. The committee's proposal rests on extensive real-world experience that is reflected in modern organizational sciences and practices.

The proposed provision complements the original Goldwater-Nichols reform in several ways. In addition to being rooted in historical experience and organizational analysis, the provision is fundamentally about empowering rather than constraining the Department of Defense. The Goldwater-Nichols Act enabled Combatant Commanders to direct mission integration in joint military operations. This complementary provision will enable the Secretary to direct functional integration in major Pentagon output, including the best possible policy, strategy, planning, and resource allocation decision-making. These reforms are certain to be just as controversial as the original legislation, but as proved true for the original legislation, less so as their merits are demonstrated in practice. The results will be less immediately operational but no less apparent in improved output and outcomes.

Successful implementation will depend on the commitment of the leadership in DOD to faithfully execute the proposed reforms, supported by vigorous and sustained oversight by Congress. The committee faced the same challenge 30 years ago after Congress passed the Goldwater-Nichols Act, and to this day the committee ensures that every nominee seeking Senate confirmation has a full grasp of that historic legislation and his or her responsibilities to enforce and abide by the letter and spirit of the law. The committee intends to apply the same tenacious oversight to the current reform effort.

Department of Defense management overview by the Secretary of Defense (sec. 942)

The Department of Defense and the Congress have directed and launched multiple initiatives over the last 15 years to achieve cost savings and improve organizational effectiveness by downsizing personnel, streamlining bureaucracy, reducing institutional redundancy, and eliminating surplus infrastructure. While these efforts have met with some success, many of the results have been short-lived, fallen short of original goals, or failed to achieve their full potential. In an effort to streamline and move forward on reform initiatives, the Department of Defense leadership attempted to establish metrics and targets for downsizing and delayering. However, these efforts lacked a fundamental strategy for reform that would create an environment for change within the Department. The next administration will be challenged to implement key reforms to include headquarters reductions, major acquisition projects reform, implementing the new modernized military retirement system, delivering a military healthcare system that improves both access and care, and reforming the large, outdated structure designed with too many precautions and layers of bureaucracy. Major efforts must be undertaken to effectively manage the Department's large workforce. Business must be done differently as the Department of Defense and the Congress move forward with reforms.

The committee recommends a provision that would require a series of management directives for the next Secretary of Defense.

The next Secretary of Defense is directed to report back to the Committees on Armed Services of the Senate and the House of Representatives by December 1, 2017 with updates no later than December 1st of the next five years through 2022 on the following items:

(1) Human Capital Strategy Plan. The Secretary of Defense must develop a human capital strategy plan to address how the Department of Defense civilian workforce is to be managed over a period of five years from the date of submission. Such plan shall include an assessment of the mix of military, civilian, and contractor personnel across the department by function.

(2) Savings Targets. The Secretary of Defense shall establish savings targets in coordination with the military departments for personnel cost reduction across the Future Years Defense Programs. Such savings targets shall encompass and possibly exceed those established in the National Defense Authorization Act for Fiscal Year 2016 and be applied across the full organization based on individual mission requirements and not percentage targets by each organization within the Department. The Secretary is directed to use cost and function and shall not impose cost savings by billets or raw number of personnel in an attempt to manage and optimize a functional mix of senior, mid-career, and entry-level personnel rather than preserving simply an imbalanced and top-heavy upper-echelon staff based upon tenure alone.

(3) Elimination of Functions. The Secretary of Defense shall submit a report of the elimination of functions within each Department of Defense component. The Secretary shall work with the Congress to launch component reviews on mission priorities in tandem with the Comprehensive Review of Headquarters and Administrative and Support Activities mandated by the National Defense Authorization Act for Fiscal Year 2016.

(4) Force Management Tools. The Secretary of Defense shall submit legislative requests for additional force management and shaping tools that necessitate legislation and cannot be accomplished by policy. Such management tools should be directed to accomplish the savings targets and elimination of functions required herein and should focus on rewarding talent, managing hiring and divestiture of employees, and professional development of employees.

(5) Delayering and Organizations. The Secretary of Defense shall develop a delayering process for headquarters organizations across the Department of Defense, to include the Office of the Secretary of Defense, the Joint Staff, the defense agencies, the combatant commands, and the Services. Such efforts shall emphasize the use of cross-functional teams. The Secretary shall submit plans for this delayering process to include reorganizational plans and charts that reflect the new structure and an assessment of low-priority or redundant functions to be eliminated and any organizations to be consolidated.

Modification of composition and mission of Joint Requirements Oversight Council (sec. 943)

The committee recommends a provision that would amend section 181 to clarify and modify the joint and service specific requirements setting process. This provision would also ensure that the service chief of the relevant military service is responsible for all service-specific requirements, and Joint Requirements Oversight Council's validation is not required before commencing a service specific acquisition program, except in those cases that the Chairman of the Joint Chiefs of Staff decided that service-specific requirement should be a joint requirement and still subject to the oversight of the Oversight Council, or in the case the program for meeting the requirement would be a major defense acquisition program.

Additionally, this provision would require that the Chairman of the Joint Chiefs of Staff determine whether a major defense acquisition program may meet joint requirements before that program or subprogram may receive Milestone A approval or otherwise be initiated prior to Milestone B.

The committee recognizes that the current organic capability of the Joint Staff to perform operations research analysis needed to inform making trade-offs among life-cycle cost, schedule, and performance objectives is not sufficient to the task. The Vice Chairman should rely upon the analytical support provided by the Director of Cost Assessment and Program Evaluation in the Director's role as an advisor to the JROC. In the longer term, the Vice Chairman should also ensure that the Joint Staff selects officers for analytical support positions within the Joint Staff who are academically and professionally qualified to fill those positions.

The committee heard testimony from numerous sources who indicated that the JROC process was broken. These assessments were frequently based on the fact that definitions and approvals of requirements have taken too long. There have also been charges that difficulties in coordinating principals' schedules have been a significant factor in forestalling timely JROC consideration and approval of requirements. This provision would shift the responsibility for making recommendations about military capabilities to meet applicable requirements from the JROC as a whole to the Vice Chairman alone. However, the Vice Chairman would have to inform the Chairman of dissenting opinions among the members of the JROC. This change in responsibility would allow the Vice Chairman to make a recommendation to the Chairman in a timely manner as well as when there is no consensus among the other members of the Council. This change would also be consistent with the principles of the Goldwater-Nichols Act—the Vice Chairman would be the principal advisor to the Chairman on military requirements, just as Goldwater-Nichols made the Chairman of the Joint Chiefs of Staff the principal military advisor to the President and the Secretary of Defense.

Enhanced personnel management authorities for the Chief of the National Guard Bureau (sec. 944)

The committee recommends a provision that would amend section 1058 of title 10, United States Code, to enhance the personnel

management authority of the Chief of the National Guard Bureau by authorizing the Chief to program for, appoint, employ, administer, detail, and assign federal civilian employees to provide full-time support to the non-federalized National Guard. This provision clarifies that state adjutants general will continue the exercise their authority to hire, employ, and supervise the federal civilian employees providing full-time support to their state.

The Chief of the National Guard Bureau would also have the authority to delegate to the adjutants general the authority to appoint, employ, and administer federal civilian employees within the 54 states and territories with authority to conduct all personnel actions for employees except in the case of any appeal right or complaint filed by an employee appointed under this section. If such an appeal or complaint arises, the adjutant general shall be considered the head of the agency for the purposes of any appeal rights or complaint filed and the National Guard of the jurisdiction concerned shall defend such an appeal or complaint and promptly implement all aspects of any final administrative or judicial order, judgement or decision. The payment of any costs associated with such decisions would be paid out of federal funds appropriated to the jurisdiction concerned. Further, in the case of a civil action or proceeding brought in any court arising from an action under this provision, the United States shall be the sole defendant or respondent.

Management of Defense clandestine human intelligence collection (sec. 945)

The committee recommends a provision that would require the Secretary of Defense, in coordination with the Director of National Intelligence, to carry out a pilot program to assess the feasibility and advisability of establishing a military division within the Directorate of Operations of the Central Intelligence Agency. The Secretary of Defense and the Director of National Intelligence would be required to assess whether it is more effective and efficient to contain the defense human intelligence capability within the Department of Defense or within the Central Intelligence Agency as a consolidated clandestine human intelligence collection organization.

Repeal of Financial Management Modernization Executive Committee (sec. 946)

The committee recommends a provision that would repeal section 185 of title 10, United States Code, regarding the Department of Defense Financial Management Modernization Executive Committee.

The committee notes that the Financial Management Modernization Executive Committee's original purpose has been functionally replaced by the Defense Business Systems Management Committee.

Reorganization and redesignation of Office of Family Policy and Office of Community Support for Military Families with Special Needs (sec. 947)

The committee recommends a provision that would amend sections 1781(a) and 1781(c) of title 10, United States Code, to reorganize and redesignate the Office of Family Policy into the Office of Military Family Readiness Policy and the Office of Community Support for Military Families with Special Needs into the Office of Special Needs. The provision would reorganize the Office of Special Needs under the Office of Military Family Readiness Policy. The provision would also require the director of the Office of Military Family Readiness Policy to be a member of the Senior Executive Service or a general or flag officer.

Pilot programs on waiver of applicability of rules and regulations to Department of Defense science and technology reinvention laboratories and DARPA to improve operations and personnel management (sec. 948)

The committee has long recognized the unique contribution made by the defense laboratories to ensuring technological battlefield superiority for our fighters. While the committee has provided increased authorities and flexibilities for the laboratories to help them maintain their scientific pre-eminence, these authorities must be implemented by the services in a manner that makes them useful. Equally significant, enhancing laboratory effectiveness also depends on the common sense removal of roadblocks such as inappropriate or counterproductive regulations, policies, and practices. With this in mind, the committee recommends a provision that would allow laboratory directors, as well as the director of the Defense Advanced Research Projects Agency, with the approval of appropriate management officials, to waive on a temporary basis regulations, instructions, publications, policies, and procedures of the Department of Defense that the director believes appropriate.

In recommending this waiver authority through this management demonstration pilot program, the committee emphasizes that lab management is not a centralized management function. Rather, the committee believes that in almost all cases, a laboratory director is best suited to determine which regulations and policies will make their organization most efficient and which will hamper its ability to function. The management demo recommended in this provision would identify and remove obstacles and fix improper implementation of legislative authorities so as to improve laboratory operations. Furthermore, the provisions would accomplish all of this within each service, thereby precluding direct involvement of the broader Department of Defense.

Subtitle D—Whistleblower Protections for Members of the Armed Forces

Improvements to whistleblower protection procedures (sec. 961)

The committee recommends a provision that would make numerous amendments to section 1034 of title 10, United States Code, to clarify and expand the types of adverse personnel actions prohib-

ited under the military whistleblower protection program, to include retaliatory investigations and failures of superiors to respond to retaliatory actions in certain circumstances, as prohibited personnel actions reviewable under that statute. The provision would also require inspectors general (IG) to notify the secretary concerned if, during the IG's preliminary investigation, the IG determined there were reasonable grounds to believe that a prohibited personnel action occurred, and that the action would result in an immediate hardship to the service member, and would authorize the secretary concerned to take action, as appropriate, in such cases. The provision would require an IG to provide periodic updates to whistleblowers on the progress of investigations, to include an estimate of the time remaining until an investigation was complete. Finally, the provision would require the Department of Defense Inspector General, within 1 year of enactment of this Act, to prescribe uniform standards for the conduct of military whistleblower investigations and for the training of staffs conducting such investigations.

Modification of whistleblower protection authorities to restrict contrary findings of prohibited personnel action by the Secretary concerned (sec. 962)

The committee recommends a provision that amends section 1034 of title 10, United States Code, to clarify that when the secretary of the military department concerned receives a report from an inspector general that substantiates that a prohibited personnel action occurred, the secretary may consider whether to take corrective action but may not make a determination in such cases that a prohibited personnel action did not occur.

Improvements to authorities and procedures for the correction of military records (sec. 963)

The committee recommends a provision that would amend section 1552(a) of title 10, United States Code, to require that boards for correction of military records (BCMRs) notify claimants of what specific information or documents are needed to make their claim reviewable by the board, if such information or documents are missing, and would require the BCMR to make reasonable efforts to obtain missing records when they cannot be obtained by a claimant. The provision would require the BCMR to consider any request for reconsideration of a determination of a BCMR when new information is provided by a claimant, not previously considered. The provision would reaffirm that claimants may seek judicial review of BCMR decisions, and would require BCMRs to publish final decisions with personally identifiable information redacted. The provision would require each secretary concerned to develop, within 1 year of enactment of this Act, a comprehensive training curriculum for members of BCMRs, and would require the Secretary of Defense and Secretary of Homeland Security to ensure such curricula are uniform. Finally, the provision would require each secretary concerned to submit to Congress within 18 months of enactment a report setting forth the training curriculum established under this section.

Comptroller General of the United States review of integrity of Department of Defense whistleblower program (sec. 964)

The committee recommends a provision that would require the Comptroller General of the United States to conduct an assessment of the integrity of the Department of Defense (DOD) whistleblower program, to include an assessment of the extent to which the DOD whistleblower program meets executive branch policies and goals for whistleblower protections, the adequacy of procedures to address whistleblower complaints submitted by employees of the Office of the Inspector General of the Department of Defense (OIG), the extent to which there have been violations of confidentiality standards, the extent to which there have been retaliatory investigations within OIG, the extent to which whistleblower complaints against Senate-confirmed civilian officials of DOD have been substantiated and reported to Congress in the past 10 years, and the ability of the inspectors general of DOD and the military services to access agency information necessary to the execution of their duties, including classified and other sensitive information, and of the adequacy of security procedures to safeguard such information. The provision would require the Comptroller General to report to the Committees on Armed Services of the Senate and House of Representatives within 1 year of enactment of this Act on the results of this review.

Subtitle E—Other Matters

Modification of requirements for accounting for members of the Armed Forces and Department of Defense civilian employees listed as missing (sec. 971)

The committee recommends a provision that would amend sections 1501, 1505, and 1513 of title 10, United States Code, to elevate oversight of recovery policy and operations for current conflicts from the Defense POW/MIA Accounting Agency (DPAA) to the Secretary of Defense, and to clarify that the DPAA director retains authority to establish policy and execute recovery operations for missing persons from past conflicts. In addition, this provision would clarify that the Department is required to account for missing persons only to the extent practicable upon discovery of remains of missing personnel.

Modification of authority of the Secretary of Defense relating to protection of the Pentagon Reservation and other Department of Defense facilities in the National Capitol Region (sec. 972)

The committee recommends a provision that would amend section 2674 of title 10, United States Code, to update the authority of the Secretary of Defense to appoint law enforcement personnel to protect the Pentagon reservation and Department of Defense activities in the National Capital Region, and to set the rates of basic pay for law enforcement and security personnel whose permanent duty station is the Pentagon reservation.

Enhanced security programs for Department of Defense personnel and innovation initiatives (sec. 973)

The committee recommends a provision that would require the Secretary of Defense to take actions to allow the Defense Security Service to conduct before October 1, 2017, all personnel background and security investigations adjudicated by the Consolidated Adjudication Facility of the Department of Defense (DOD). This provision would also strengthen inside threat detection programs by streamlining requirements for the collection, storage, and retention of information and would allow the Department to seek solutions from commercial companies and improve the process for the reciprocity of security clearances. The committee is encouraged by this reciprocity effort and expects that a path forward will be established for recently retired service members with security clearances to transfer their security clearances to their new positions rather than undergo duplicative background investigations.

Items of Special Interest

4th Brigade Combat Team (Airborne), 25th Infantry Division

Since 2012, the Army has been on course to reduce the Active component from 570,000 to 450,000 service members. In 2015, as a part of the reduction in end-strength, the Army recommended that the 4th Brigade Combat Team (Airborne), 25th Infantry Division (4–25 IBCT ABN) be converted to an airborne infantry battalion task force.

The Army has continued to reassess its force structure requirements in light of the dynamic security environment and the evolving threats around the world. On March 21, 2016, the Army announced that it would postpone the conversion of the 4–25 IBCT (ABN) citing the unit's readiness, capability, and strategic location to rapidly deploy to deter aggression from Russia, North Korea, and ISIL.

The committee is aware that the senior leadership of the Army, and the current commanders of U.S. Northern Command, U.S. European Command, and U.S. Pacific Command, in testimony before the committee, have publicly supported delaying the unit's conversion. The committee affirms that forward-deployed and rapidly responsive ground forces, including the 4–25 IBCT (ABN), help deter aggression and provide reassurance to our allies and partners. The committee encourages the Army to continue to reassess its force structure based on available resources and the changing global security environment.

Amendment on National Guard Apache recommendations

The committee recognizes the efforts of the commissioners and staff for their completion of the National Commission on the Future of the Army (NCFA) report and recommendations. Among other recommendations, the committee supports the recommendation of the NCFA to retain four Attack Reconnaissance Battalions (ARBs) in the National Guard as part of the Aviation Restructuring Initiative. The committee believes that this approach achieves the right balance in addressing the Army's current needs and providing the strategic depth of Army Aviation in the Army National Guard.

The committee expects the Army to plan and program accordingly based on available resources across the Future Years Defense Program.

Enhancing Army Military Intelligence Support to the Warfighter

The Army provides a Military Intelligence Brigade-Theater (MIB–T) to each geographic combatant command. Operational Control (OPCON) of the MIB–Ts is delegated to the Army Service Component Commands, with administrative control (ADCON) assigned to the Army's Intelligence and Security Command (INSCOM). INSCOM's ADCON role for assigned MIB–Ts is to provide authorities, policy compliance, and reach-back support. The committee is concerned that the ADCON relationship is not as efficient as it needs to be, and notes that INSCOM headquarters has been growing as personnel are being reduced in the MIB–Ts. INSCOM's other roles and missions within the Army are no doubt important and demanding, but support to the combatant commands through assigned MIB–Ts is critical, especially in light of increasing threats to combatant command missions and personnel.

Consistent with the committee's mandate to reduce management headquarters across the Department of Defense, the committee strongly urges the Army to streamline INSCOM's command and support relationship with the MIB–Ts and the commands they directly support to reduce administrative overhead, and to better align its military intelligence brigades with the warfighters they directly support and are often collocated with at the same installation.

The committee strongly urges the Army to take actions to enhance military intelligence support across the spectrum in the U.S. European Command area of operations to more effectively provide military support to force protection, defeat transnational terrorism, enhance relationships with our NATO and non-NATO partners, and deter and defeat Russian aggression.

Unjustified expansion of the Army Reserve Military Intelligence Readiness Command

The committee has directed the Department of Defense to take steps to eliminate overlapping and duplicative functions to better support the warfighter. The committee is concerned that there may be unnecessary overlap and duplication in the roles and responsibilities of the Army Reserve Component Military Intelligence Readiness Command (MIRC) and the Army's Intelligence and Security Command. In addition, the committee is concerned about the justification for planned growth in the MIRC headquarters and subordinate headquarters.

The committee is informed that the Army plans to increase the size of MIRC headquarters from a one-star to a two-star headquarters and create two new brigade headquarters elements subordinate to the MIRC. The committee questions the need for such an expansion and for the creation of new brigade headquarters elements when the size of the reserve component continues to shrink, and when the committee has directed the Department to reduce the size wherever possible of headquarters organizations.

The committee directs the Army to review the MIRC as a part of its headquarters reduction plan.

Furthermore, the committee recommends the Army include its ongoing efforts to enhance active and reserve integration as a consideration of the MIRC within its headquarters reduction plan.

TITLE X—GENERAL PROVISIONS

Subtitle A—Financial Matters

General transfer authority (sec. 1001)

The committee recommends a provision that would allow the Secretary of Defense to transfer up to $4.0 billion of fiscal year 2017 funds authorized in division A of this Act to unforeseen higher priority needs in accordance with normal reprogramming procedures. Transfers of funds between military personnel authorizations would not be counted toward the dollar limitation in this provision.

Increased use of commercial data integration and analysis products for the purpose of preparing financial statement audits (sec. 1002)

The committee is concerned that over the last two decades, the Department has spent billions of dollars attempting to configure commercial-off-the-shelf information technology systems and build interfaces to hundreds of legacy information systems in order to prepare auditable financial statements. One of the many reasons for the Department's long-standing failure to pass an audit is its inability to produce transaction-level information for auditors.

This provision would require the Department to competitively and rapidly procure information technology services, including non-relational database, data analysis, and data integration platforms to address the problems identified by auditors of Department of Defense financial statements.

The committee notes that non-relational databases are database systems designed to process unstructured data and do not adhere to the traditional relational database management system structures, and may represent a useful approach to addressing these issues.

The committee directs the Chief Financial Officer and Chief Management Officer to prepare a report to the defense committees on the status of this program. This report shall be delivered not later than 180 days after enactment of this Act.

Sense of the Senate on sequestration (sec. 1003)

The committee recommends a provision that would express the sense of the Senate that the statutory budget caps imposed by the Budget Control Act of 2011 (BCA) remain an unreasonable and inadequate budgeting tool to address the Nation's fiscal challenges. The committee remains concerned about the harmful impacts of sequestration on our national defense, to include non-defense agencies that contribute to our national security. This provision acknowledges that relief from the BCA should include both defense and non-defense spending.

Subtitle B—Counter-Drug Activities

Codification and modification of authority to provide support for counter-drug activities and activities to counter transnational organized crime of civilian law enforcement agencies (sec. 1006)

The committee recommends a provision that would establish a new section in title 10, United States Code, to codify section 1004 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510), as most recently amended by section 1012 of the Carl Levin and Howard P. "Buck" McKeon National Defense Authorization Act for Fiscal Year 2015 (Public Law 113–291). The provision would also make modifications to the types of support that may be provided with respect to foreign law enforcement.

Extension of authority to support unified counterdrug and counterterrorism campaign in Colombia (sec. 1007)

The committee recommends a provision that would extend by 4 years section 1021 of the Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005 (Public Law 108–375), as most recently amended by section 1011 of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92).

The committee strongly supports the vital partnership between the United States and Colombia and notes the remarkable security gains the Government of Colombia has achieved over the last 15 years. The committee believes that an enduring security relationship between the U.S. and Colombia is essential to sustaining and building upon these gains and urges the Department of Defense, in coordination with the interagency, to ensure its security cooperation programs and authorities reflect the evolving security environment in Colombia and the region.

Subtitle C—Naval Vessels and Shipyards

Availability of funds for retirement or inactivation of cruisers or dock landing ships (sec. 1011)

The committee recommends a provision that would prohibit fiscal year 2017 funds from being used to retire, prepare to retire, or inactivate a *Ticonderoga*-class cruiser, *Whidbey Island*-class dock landing ship, or *Harpers Ferry*-class dock landing ship, unless prescribed criteria are met.

First, the Chief of Naval Operations would be required to certify to the congressional defense committees the requirement for operational cruisers, dock landing ships, and ballistic missile defense-capable cruisers from fiscal year 2017 through 2030.

Second, funds within the Ship Modernization, Operations, and Sustainment Fund (SMOSF) could only be used for 11 *Ticonderoga*-class cruisers (CG–63 through CG–73) and 3 *Whidbey Island*-class dock landing ships (LSD–41, LSD–42, and LSD–46).

Third, the Secretary of the Navy would be required to retain the current inventory of 22 cruisers and 12 dock landing ships until the end of their service lives with the following restrictions. Through fiscal year 2030, the Navy would be required to maintain not less than the Chief of Naval Operations' requirement for operational

cruisers or 11 operational cruisers, whichever is greater. The Navy would be required to maintain no less than the Chief of Naval Operations' requirement for dock landing ships or 9 operational dock landing ships, whichever is greater. The Navy would be authorized to conduct phased modernization of not more than 11 cruisers and 3 dock landing ships.

Fourth, the Secretary of the Navy would be required to adhere to five requirements and five restrictions during the phased modernization period.

Fifth, the Secretary of the Navy would be required to submit an annual report with the President's budget on the status of the phased modernization program.

Sixth, the Secretary of the Navy would be required to notify the congressional defense committees in writing 30 days prior to executing any deviations to the plans provided in the most recent annual report.

The committee does not support a smaller fleet and notes the Navy stands at 272 ships this year, far below the 308 ship requirement. However, the committee does recognize the fiscal pressure the Navy is under to maintain the readiness of the current force while continuing to modernize for future threats, including the requirement to procure the *Ohio*-class replacement submarine program. The committee also notes the Navy has fully funded this budget request's phased modernization plan, unlike past budget submissions. The committee would not be supportive of any effort to decommission any cruiser or dock landing ship earlier than provided for in this provision and views this provision as necessary to ensure the ships that enter phased modernization are returned to service.

Prohibition on use of funds for retirement of legacy maritime mine countermeasures platforms (sec. 1012)

The committee recommends a provision that would prohibit funds from being used to retire, prepare to retire, transfer, or place in storage any *Avenger*-class mine countermeasures ship, MH–53 Sea Dragon helicopter, or associated equipment, as well as make any reductions to the manning levels of any *Avenger*-class mine countermeasures ship or Sea Dragon squadron or detachment.

The Secretary of the Navy may waive this prohibition by certifying to the congressional defense committees that: (1) a replacement capability and the necessary quantity of such systems to meet all combatant commander mine countermeasures operational requirements that are currently being met has been identified, (2) all replacement systems have achieved initial operational capability (IOC), and (3) the Navy has deployed a sufficient quantity of replacement systems that have reached IOC to continue to meet or exceed all combatant commander mine countermeasures operational requirements currently being met.

The committee is concerned that the Navy's current plan to reach IOC of replacement mine countermeasures systems is not scheduled to occur until the fourth quarter of fiscal year 2020. However, the Navy's 30-year shipbuilding plan calls for the current *Avenger*-class mine countermeasures ships to begin retiring in fiscal year 2019. The committee is concerned a capability gap in a critical

warfighting mission area may result if current mine countermeasures systems are not maintained until operationally effective and suitable replacements are fielded.

The committee looks forward to reviewing the Navy's plan to transition from legacy mine countermeasures systems, which is included in the mine countermeasures master plan required by section 1090 of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92). This plan is required to be submitted annually beginning with the President's budget request for fiscal year 2018.

Subtitle D—Counterterrorism

Extension of prohibition on use of funds for transfer or release of individuals detained at United States Naval Station, Guantanamo Bay, Cuba, to the United States (sec. 1021)

The committee recommends a provision that would extend until December 31, 2017, the prohibition on the use of funds provided to the Department of Defense to transfer or release individuals detained at United States Naval Station, Guantanamo Bay, Cuba, to the United States. The provision would expire on December 31, 2017.

Extension on prohibition on use of funds to construct or modify facilities in the United States to house detainees transferred from United States Naval Station, Guantanamo Bay, Cuba (sec. 1022)

The committee recommends a provision that would extend until December 31, 2017, the prohibition on the use of funds provided to the Department of Defense to construct or modify facilities in the United States to house detainees transferred from United States Naval Station, Guantanamo Bay, Cuba. The provision would expire on December 31, 2017.

Designing and planning related to construction of certain facilities in the United States (sec. 1023)

The committee recommends a provision to authorize the Secretary of Defense to use amounts authorized to be appropriated for the Department of Defense for designing and planning related to the construction or modification of facilities in the United States to house individuals detained at United States Naval Station, Guantanamo Bay, Cuba.

Authority to transfer individuals detained at United States Naval Station, Guantanamo Bay, Cuba, to the United States temporarily for emergency or critical medical treatment (sec. 1024)

The committee recommends a provision that would authorize the temporary transfer of individuals detained at United States Naval Station, Guantanamo Bay, Cuba to the United States for necessary medical treatment that is not available at Guantanamo.

Authority for article III judges to take certain actions relating to individuals detained at United States Naval Station, Guantanamo Bay, Cuba (sec. 1025)

The committee recommends a provision that would authorize a judge of the United States District Court to have jurisdiction to use video teleconferencing to arraign, accept a plea to a charge from, and enter a judgment of conviction and sentencing against individuals held at Guantanamo. The provision would also authorize the Attorney General to transfer detainees to third countries to serve their sentences.

Extension on prohibition on use of funds for transfer or release to certain countries of individuals detained at United States Naval Station, Guantanamo Bay, Cuba (sec. 1026)

The committee recommends a provision that would extend until December 31, 2017, the prohibition on the use of funds provided to the Department of Defense to transfer or release individuals detained at United States Naval Station, Guantanamo Bay, Cuba, to Libya, Somalia, Syria, or Yemen.

Matters on memorandum of understanding between the United States and governments of receiving foreign countries and entities in certifications on transfer of detainees at United States Naval Station, Guantanamo Bay, Cuba (sec. 1027)

The committee recommends a provision that would require any certification by the Secretary of Defense provided pursuant to Section 1034(b) of the National Defense Authorization Act of Fiscal Year 2016 (Public Law 114–92; 10 U.S.C. 801 note) to include a requirement that the United States and the government of the foreign government of transfer have entered into a written memorandum of understanding regarding the transfer of the individual and the memorandum of understanding has been provided to the appropriate congressional committees.

Limitation on transfer of detainees at United States Naval Station, Guantanamo Bay, Cuba, pending a report on their terrorist actions and affiliations (sec. 1028)

The committee recommends a provision that would require, prior to transferring any individual detained at United States Naval Station, Guantanamo Bay, Cuba to any foreign government or entity, that the Secretary of Defense submit to appropriate committees of Congress a report on the individuals' previous terrorist activities, memberships in, affiliations, or associations with terrorist organizations, and a description of the individuals' support or participation in attacks against the United States or U.S. allies.

Prohibition on use of funds for transfer or release of individuals detained at United States Naval Station, Guantanamo Bay, Cuba, to countries covered by Department of State travel warnings (sec. 1029)

The committee recommends a provision that would prohibit the use of funds to transfer any individual held at Guantanamo to a

foreign country that is the subject of a State Department travel warning with certain exceptions.

Extension of prohibition on use of funds for realignment of forces at or closure of United States Naval Station, Guantanamo Bay, Cuba (sec. 1030)

The committee recommends a provision that would extend until December 31, 2017, the prohibition on the use of funds provided to the Department of Defense to close or abandon United States Naval Station, Guantanamo; to relinquish control of Guantanamo Bay to the Republic of Cuba; or to implement a material modification to the Treaty between the United States of America and Cuba signed at Washington, D.C. on May 29, 1934, that constructively closes United States Naval Station, Guantanamo Bay.

Subtitle E—Assured Access to Space Matters

Restrictions on use of rocket engines from the Russian Federation for space launch of national security satellites (sec. 1036)

The committee recommends a provision that would prohibit the Secretary of Defense from launching any national security satellite with a launch vehicle requiring a rocket engine designed or manufactured in the Russian Federation.

The provision would also prohibit the Secretary of Defense from certifying any entity to bid for the award or renewal of a contract for the procurement of property or services for space launch activities for the Evolved Expendable Launch Vehicle program if that entity would use a rocket engine designed or manufactured in the Russian Federation.

The committee believes that the continued use of Russian rocket engines is detrimental to national security and directs the Department of Defense to meet its space launch requirements by utilizing launch vehicles that do not require Russian rocket engines.

The committee notes that the provision would explicitly exempt the nine Russian rocket engines allowed by section 1608(c) of the Carl Levin and Howard P. "Buck" McKeon National Defense Authorization Act for Fiscal Year 2015 (Public Law 113–291; 10 U.S.C. 2271 note) from the prohibition that would be established by this provision.

Limitations on use of rocket engines from the Russian Federation to achieve assured access to space (sec. 1037)

The committee recommends a provision that would amend section 2273(b) of title 10, United States Code, to require that assured access to space be achieved without the use of rocket engines designed or manufactured in the Russian Federation.

In testimony before the committee, the Secretary of Defense, the Director of National Intelligence, and the Secretary of the Air Force each confirmed to the committee that the United States can meet its assured access to space requirements without the use of Russian rocket engines. According to the Department of Defense Office of Cost Assessment and Program Evaluation, the steady-state cost of meeting assured access to space requirements without the use

of Russian rocket engines should be similar to what we pay today. The committee believes that once the nine Russian rocket engines allowed by section 1608(c) of the Carl Levin and Howard P. "Buck" McKeon National Defense Authorization Act for Fiscal Year 2015 (Public Law 113–291; 10 U.S.C. 2271 note) are expended, the Defense Department is capable of meeting its assured access to space requirements by utilizing launch vehicles that do not require rocket engines designed or manufactured in the Russian Federation.

Elsewhere in this Act, the committee recommends a provision that would allow for up to half of the funds made available for the development of a replacement launch vehicle or launch propulsion system to be made available for offsetting any increase in launch costs as a result of prohibitions on Russian rocket engines. With $1.2 billion budgeted from fiscal year 2017 to fiscal year 2021 for the launch replacement effort and $453.4 million already appropriated in fiscal year 2015 and fiscal year 2016, the committee believes there is more than sufficient funding available and budgeted for either a replacement propulsion system or launch vehicle and also to offset any additional costs required in meeting our assured access to space requirements without the use of Russian rocket engines.

Repeal of provision permitting the use of rocket engines from the Russian Federation for the evolved expendable launch vehicle program (sec. 1038)

The Committee recommends a provision that would repeal section 8048 of the Department of Defense Appropriations Act, Fiscal Year 2016 (division C, Public Law 114–113; 129 Stat. 2363).

Subtitle F—Miscellaneous Authorities and Limitations

Assigned forces of the combatant commands (sec. 1041)

The committee recommends a provision that would amend section 162 of title 10, United States Code, to require the secretaries of the military departments, at the direction of the Secretary of Defense, to assign forces under the jurisdiction of the secretaries concerned to the combatant commands to perform missions assigned to the combatant commands. Forces that are not so assigned shall remain under the direction and control of the respective military department secretaries for purposes of carrying out the secretaries' responsibilities under sections 3013, 5013, and 8013 including organizing, training, and mobilizing of all United States military forces.

Quadrennial independent review of United Sates military strategy and force posture in the United States Pacific Command area of responsibility (sec. 1042)

The committee recommends a provision that would establish an independent review of United States policy in the Indo-Asia-Pacific region, beginning in 2018 and occurring every four years thereafter. The report will be conducted by an independent organization with credentials and expertise in national security and military affairs.

The independent review will include an assessment of the risks to United States national security interests in the United States

Pacific Command area of responsibility, an assessment of the current and planned United States force posture adjustments in the region, an evaluation of any key capability gaps and shortfalls of the United States in the region, an analysis of the willingness and capacity of allies, partners, and regional organizations to contribute to the security and stability of the region, an appraisal of the Arctic ambitions of regional actors, an evaluation of theater security cooperation efforts, an evaluation of the seams between the United States Pacific Command and adjacent geographic combatant commands, and the views of noted policy leaders and regional experts.

The committee recommends that the report be submitted to the Secretary of Defense no later than 180 days after the commencement of the review. The report should be submitted in unclassified form but may include a classified annex. No more than 90 days after the report is submitted to the Secretary of Defense, the Secretary will submit it to the congressional defense committees with any comments the Secretary considers appropriate.

Designation of a Department of Defense Strategic Arctic Port (sec. 1043)

The committee recommends a provision that would require not later than 180 days after enactment of this Act, the Secretary of Defense, in consultation with the Chairman of the Joint Chiefs of Staff, the Commanding General of the United States Army Corps of Engineers, the Commandant of the Coast Guard, and the Administrator of the Maritime Administration, to submit a report to the congressional defense committees assessing the future security requirements for one or more strategic ports in the Arctic. The provision would further require the Secretary to establish designation criteria for a Department of Defense "Strategic Arctic Port" and submit recommendations for the designation of one or more such ports, including estimated costs for sufficient construction to initiate and sustain expected operations.

Modification of requirements regarding notifications to Congress on sensitive military operations (sec. 1044)

The committee recommends a provision that would amend section 130f in title 10, United States Code.

Reconnaissance Strike Group matters (sec. 1045)

The committee recommends a provision that would require the Secretary of Defense and Chairman of the Joint Chiefs of Staff to oversee the modeling of an alternative Army design and operational concept for the Reconnaissance Strike Group (RSG). The committee also would require a report no later than one year after the enactment of this bill that explicitly addresses the value of a follow-on pilot program to test further any promising alternative force designs and concept of operation.

Emerging trends in technology and changes in the international security situation suggest that the Department of Defense should question the strategic assumptions that have underpinned its ground force structure and warfighting concepts for at least 25 years. Testing requires innovation. Innovation employs mature, off-the-shelf technology in creative, new and effective ways. The com-

mittee assesses the RSG has the potential, as designed, to be a testbed for full spectrum rapid prototyping—organizing construct, human capital strategy and equipment. As a prototype formation the RSG testbed is designed to explore new capabilities with smaller inventories of new systems before larger, Army-wide, investments are made.

The provision requires, not later than 60 days after the date of the enactment of this Act, that the Secretary of Defense shall direct an appropriate combatant commander to establish an office for the testing, evaluation, development and validation of the RSG's joint warfighting concepts, required platforms and structure. The selected combatant commander will submit a report describing the office structure, as well as, its programmatic goals and funding needs to the Armed Services Committees of the Senate and of the House of Representatives not later than 90 days after the establishment of the office and on a periodic basis to be determined at that time.

The committee's recommendation is informed by the findings of the National Commission on the Future of the United States Army. Like the commission, the committee believes the Army should innovate and modernize. The Reconnaissance Strike Group is a concept that is fundamentally designed to be fully integrated in an expeditionary joint task force. It is organized and equipped for rapid deployment, reconnaissance, agile maneuver in dispersed formation, massed joint fires, sustainment, and survivability.

Transition of Air Force to operation of remotely piloted aircraft by enlisted personnel (sec. 1046)

The committee recommends a provision that would require the Air Force, by September 30, 2019, to transition all remotely piloted aircraft (RPA) operations to an organizational model that uses enlisted personnel for the preponderance of RPA operators.

The committee is concerned that the Air Force has struggled for nearly a decade to integrate the medium-altitude intelligence, surveillance, and reconnaissance (ISR) mission into its training infrastructure and organizational culture, and has taken the approach of organizing for the RPA mission and career field similarly to its manned combat aircraft squadrons. While divestments of combat aircraft over the past several years provided a temporary increase in available rated officers to operate RPAs, overall rated pilot shortages, especially for fighter aircraft, continue to plague the Air Force, and pilot shortages are anticipated to increase significantly as the commercial airline industry increases its pilot hiring.

An April 2014 Government Accountability Office recommended the Air Force consider the use of enlisted personnel to operate its fleet of MQ–1 and MQ–9 aircraft, but the Air Force rejected that recommendation because, "it decided that the responsibilities of piloting an RPA were commensurate with the rank of officers instead." Since that time, the Air Force still has not alleviated the manning shortfall for RPA pilots, causing its RPA pilot community to be overworked, feel underappreciated, and negatively impacting their morale. By the Air Force's own admission, these problems are creating a situation where reduced retention of its RPA pilot force is anticipated as RPA pilots reach the end of their service commitments in the coming years.

Additionally, the committee believes the Air Force's rationale for rejecting enlisted RPA operators does not comport with the organizational construct used by the Army in their unmanned aircraft system operations, where enlisted personnel operate RPAs during both ISR and live-fire strike missions under the supervision of warrant officers and commissioned officers. The use of enlisted RPA operators opens a larger pool of potential applicants, reduces overall personnel costs as compared to using commissioned officers, and with the use of appropriate RPA control technologies, reduces the length of the training pipeline.

Finally, the committee expects the Air Force to allow officers currently serving as RPA operators to continue to serve in those roles, if necessary, while transitioning to enlisted operators over time as new operators are accessed and trained, and to ensure that such officers continue to have opportunities for career progression and service.

Prohibition on divestment of Marine Corps Search and Rescue Units (sec. 1047)

The committee recommends a provision that would prohibit the obligation of appropriated funds to retire, prepare to retire, transfer or place in stowage any aircraft in Marine Corps Search and Rescue Units (SRU). The provision would also prohibit the reduction in manning levels with respect to any Marine Corps Search and Rescue unit.

Modification of requirements relating to management of military technicians (sec. 1048)

The committee recommends a provision that would delay the implementation date of section 1053 of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92) until October 1, 2017 and align the date of conversion for military technicians (non-dual status) with military technicians (dual status). This provision would also clarify that the positions to be converted are to be reviewed and determined by leadership from the Army Reserve, the Air Force Reserve, the National Guard Bureau, and the state adjutants general for purposes of implementation.

The committee directs the Secretary of Defense, in consultation with the Chief of the National Guard Bureau, to submit to the Committees on Armed Services of the Senate and the House of Representatives by March 1, 2017, a report on the feasibility and advisability of converting any remaining military technicians (dual status) to personnel performing active Guard and Reserve duty under section 328 of title 32, United States Code, or other applicable provision of law. The report shall include the following: (a) An analysis of the fully-burdened costs of the conversion taking into account the new modernized military retirement system; and (b) An assessment of the ratio of members of the Armed Forces performing active Guard and Reserve duty and civilian employees of the Department of Defense under title 5, United States Code, required to best contribute to the readiness of the National Guard and the Reserves.

Support for the Associate Director of the Central Intelligence Agency for Military Affairs (sec. 1049)

The committee recommends a provision that would direct the Secretary of Defense and the Under Secretary of Defense for Intelligence to ensure that the Associate Director of the Central Intelligence Agency (ADMA) has access to, and support from, offices, agencies, and programs of the Department necessary for the ADMA to achieve its intended function. In the wake of the first Gulf War, the predecessor to the office of the ADMA was created to better integrate the Department of Defense and the Central Intelligence Agency (CIA). Since that time, the office, which is typically led by a general or admiral chosen by the Secretary of Defense, has played a key role in coordinating and communicating support between the two organizations. A strong and cooperative relationship is vital to the national security interests of the United States. This provision would enhance the Department's support to the position and confirm the importance of the enduring relationship between the CIA and the Department.

Enhancement of interagency support during contingency operations and transition periods (sec. 1050)

The committee recommends a provision that would authorize the Secretary of Defense and the Secretary of State to enter into an agreement allowing each Secretary to provide support, supplies, and services on a reimbursement basis, or by exchange of support, supplies, and services, to the other Secretary during a contingency operation and related transition period. The purpose of the provision would be to ease bureaucratic hurdles to interagency support and therefore increase both effectiveness and efficiencies in the provision of such support.

Enhancement of information sharing and coordination of military training between Department of Homeland Security and Department of Defense (sec. 1051)

The committee recommends a provision that would require the Secretary of Homeland Security to ensure that the information needs of the Department of Homeland Security (DHS) relating to civilian law enforcement activities in proximity to the borders of the United States are identified and communicated to the Secretary of Defense for the purposes of planning and executing military training. The provision would require the Secretary of Defense to ensure that such military training conducted in proximity to the borders of the U.S. is coordinated with DHS. Further, the provision would require the Secretary of Homeland Security and the Secretary of Defense to create joint guidance to ensure information relevant to drug interdiction or other civilian law enforcement matters that is collected by the U.S. military during the normal course of military training or operations is provided promptly to civilian law enforcement officials in accordance with section 371 of title 10, United States Code.

The committee notes that the U.S. military engages in realistic military training activities around the U.S. to simulate real world operational environments. The committee believes that in addition to supporting the readiness of U.S. military forces, such training

can provide a secondary benefit to civilian authorities, particularly as it relates to increased situational awareness that would increase the effectiveness of drug interdiction and border security operations conducted by civilian law enforcement.

The committee notes that section 371 of title 10, United States Code authorizes the Secretary of Defense, in accordance with other applicable law, to "provide to Federal, State, or local civilian law enforcement any information collected during the normal course of military training or operations that may be relevant" and further states that "the needs of civilian law enforcement officials for information shall, to the maximum extent practicable, be taken into account in the planning and execution of military training or operations."

The committee is concerned that the mechanisms through which the Department of Defense (DOD) is made aware of the information needs of DHS and civilian law enforcement agencies as well as DOD's ability to coordinate its training operations is informal and ad hoc in nature. Accordingly, the committee believes that establishing a formal mechanism for the sharing of information and increasing coordination of military training operations along the borders with DHS is warranted.

Notification on the provision of defense sensitive support (sec. 1052)

The committee recommends a provision that would limit the provision of defense sensitive support to non-Department of Defense departments and agencies until the Secretary of Defense determines and notifies the congressional defense committees that the support does not interfere with the mission and functions of the Department, or if it does so interfere, that it is in the national security interest of the United States. Additional guidance is provided in the classified annex that accompanies this bill and report.

Modification of authority to transfer Department of Defense property for law enforcement activities (sec. 1053)

The committee recommends a provision that would amend section 2576a of title 10, United States Code to modify the availability of defense items eligible for transfer and notification requirements.

Exemption of information on military tactics, techniques, and procedures from release under Freedom of Information Act (sec. 1054)

The committee recommends a provision that would amend section 130e of title 10, United States Code, to authorize the Secretary of Defense to exempt information related to military tactics, techniques, and procedures from public disclosure if the information could reasonably be expected to risk impairment of the effective operation of the Department of Defense by providing an advantage to an adversary or potential adversary, and the public interest consideration in the disclosure of such information does not outweigh preventing the disclosure of such information.

Treatment of certain sensitive information by State and local governments (sec. 1055)

The committee recommends a provision that would amend section 128 of title 10, United States Code, to authorize the Secretary of Defense to designate information as being Department of Defense critical infrastructure security information to ensure that such information is not disseminated without authorization. Certain Department of Defense critical infrastructure security information that is provided to a state or local government would remain under the control of the Department of Defense, and a state or local law authorizing or requiring a state or local government to disclose such information would not apply to such information, and any request for disclosure of such information must be provided to the Secretary to determine whether to exempt the information from disclosure.

Certain sensitive but unclassified information, designated as critical infrastructure security information (CISI), is related to Department of Defense critical infrastructure. If CISI is disclosed and exploited, it would likely result in significant disruption, destruction, or damage of or to Department operations, property, or facilities. CISI can be shared with state and local governments to facilitate coordination during incidents, normal operations, or emergency response.

Recovery of excess firearms, ammunition, and parts granted to foreign countries and transfer to certain persons (sec. 1056)

The committee recommends a provision that would allow the Secretary of the Army to acquire from any person any firearm, ammunition repair parts, or other supplies which were provided to any country on a grant basis.

Sense of the Senate on development and fielding of fifth generation airborne systems (sec. 1057)

The committee recommends a provision that would express the sense of the Senate on the definition of and need for continued prioritization, development, and fielding of fifth-generation airborne capabilities.

Technical and conforming amendments (sec. 1058)

The committee recommends a provision that would make technical and clerical corrections to the National Defense Authorization Act for Fiscal Year 2016 (Public Law 11492) and section 2431b of title 10, United States Code.

Subtitle G—National Commission on Military, National, and Public Service

Purpose and scope (sec. 1066)

The committee recommends a series of provisions that would create an independent National Commission on Military, National, and Public Service, including a provision to establish the purpose and scope of this Commission to consider: (1) the need for a military selective service process, including a continuing need for a

mechanism to draft large numbers of replacement combat troops; (2) the means by which to foster a greater attitude and ethos of service among United States youth, including an increased propensity for military service; (3) the feasibility of modifying the military selective service process to obtain for military, national, and public service individuals with skills for which the Nation has a critical need, without regard to age or gender; and (4) the feasibility of including in the military selective service process, as so modified, an eligibility for one or more Federal benefits to incentivize the necessary education, training, and service to fulfill such critical needs.

National Commission on Military, National, and Public Service (sec. 1067)

The committee recommends a provision that would establish the National Commission on Military, National, and Public Service as an independent commission. The provision would prescribe the manner and timing in which the Commission would be appointed, its composition, pay rates for members and staff, and would provide sundry other authorities attending to the operation of the Commission as an independent entity.

Commission hearings and meetings (sec. 1068)

The committee recommends a provision that would require the National Commission on Military, National, and Public Service to conduct public hearings (except classified hearings) on recommendations under consideration, and that such hearings be noticed on a public website at least 14 days in advance. The provision would require the Commission to hold its first meeting withing 30 days after all members have been appointment.

Principles and procedure for Commission recommendations (sec. 1069)

The committee recommends a provision that would require the President, within 3 months after the establishment date of the National Commission on Military, National, and Public Service, to establish and transmit to the Commission and Congress principles for reform of the military selective service process, including the means by which to best acquire skills to meet the military, national, and public service requirements of the country. The provision would require these Presidential principles to address: (1) whether, in light of the current global security environment, there continues to be a need for a selective service process designed to produce large quantities of combat troops, and if so, whether that system should include mandatory registration by citizens and residents regardless of gender; (2) the need, and how best to meet the need, of the Nation, the military, the Federal civilian sector, and the private sector (including the non-profit sector) for individuals possessing certain critical skills and abilities, and how to best employ individuals with those skills and abilities; (3) how to foster within the nation, particularly among the nation's youth, an increased sense of service and civic responsibility to enhance the acquisition of critically needed skills through education and training, and how best to acquire those skills for military, national, and public service; (4) how to increase propensity among the nation's youth

for service in the military, or alternatively in national or public service, including how to increase the pool of qualified applicants for military service; (5) the need in government to increase interest, education, and employment in certain critical fields, including particularly science, technology, engineering, and mathematics, national security, cyber, linguistics and foreign language, education, health care, and the medical professions; and (6) how military national, and public service may be incentivized, including through educational benefits, grants, Federally-insured loans, Federal or State hiring preferences, or other mechanisms the President considers appropriate. The provision would require certain cabinet officials and other officials or experts to transmit to the Commission and Congress recommendations for the reform of the military selective service process, and military, national, and public service in connection with that process.

Executive Director and staff (sec. 1070)

The committee recommends a provision that would authorize the National Commission on Military, National, and Public Service to appoint, and fix the rate of pay of, an Executive Director and staff. The provision would limit detailees from Executive Branch agencies to no more than one-third of the personnel employed by the Commission, and would prohibit the detail of executive branch employees to the Commission who in the year prior to the detail were substantially involved with the development of recommendations provided to the Commission.

Judicial review precluded (sec. 1071)

The committee recommends a provision that would preclude the actions of the President, cabinet officials and other individuals required to provide recommendations under this subtitle, and the Commission on Military, National, and Public Service from judicial review of their actions taken under this subtitle.

Termination (sec. 1072)

The committee recommends a provision that would provide for the termination of the National Commission on Military, National, and Public Service no later than 36 months after the Commission establishment date.

Funding (sec. 1073)

The committee recommends a provision that would require that of the amounts authorized to be appropriated for the Department of Defense for fiscal year 2017, $15.0 million be available to the National Commission on Military, National, and Public Service until expended to carry out its duties under this subtitle.

Subtitle H—Studies and Reports

Annual reports on unfunded priorities of the Armed Forces and the combatant commands (sec. 1076)

The committee recommends a provision that would require the military service chiefs and the commanders of the individual functional and geographic combatant commands to submit to the Com-

mittees on Armed Services of the Senate and the House of Representatives a list, in priority order, of the unfunded requirements for each individual service branch or combatant command no later than 25 days after the date on which the budget for a fiscal year is submitted to Congress pursuant to section 1105 of title 31, United States Code. This provision would repeal section 1003 of the National Defense Authorization Act for Fiscal Year 2013 (Public Law 112–239).

Assessment of the joint ground forces of the Armed Forces (sec. 1077)

The committee recommends a provision that would require the Secretary of Defense and Chairman of the Joint Chiefs of Staff to oversee a comprehensive assessment of the joint ground forces. The committee would require this report no later than one year after the enactment of this act. The report should explicitly address capability and capacity gaps that threaten the successful execution of decisive, operational-maneuver in a joint context.

The committee's recommendation is informed by the findings of the National Commission on the Future of the United States Army (NCFA) and the Government Accountability Office's (GAO) report of April, 2016. The committee notes that both the commission and GAO identified critical capability gaps needed for operational theaters.

The committee is concerned our ground forces are not properly balanced and are incurring unacceptable risks to mission and forces. The committee is also concerned the drawdown in Army end strength is fomenting much of this loss of capability and capacity. Further, the committee is concerned that reported readiness levels of both the Army and Marine Corps make this potential situation more complicated. It may impact the United States' ability to rapidly deploy a campaign quality force with available forces.

This assessment and report must identify gaps in critical combat capabilities. The committee is concerned about potential gaps in armed reconnaissance, armor, combat engineers, cluster munitions, and long range field artillery capable of standoff attack and counter fires. Of particular concern is comprehensive air defense. The committee would like to know if our forces have the capability to protect themselves from all aerial threats from enemy aircraft and theater ballistic missiles to remotely piloted vehicles.

The committee also requires the assessment to address gaps in essential combat support and service support capabilities, including electronic warfare, chemical, biological, radiological, and nuclear reconnaissance, detection and decontamination, water and fuel distribution, military police, and transportation. The committee shares the NCFA's concern about the lack of transportation assets to move the equipment of combat and construction engineer battalions. Also, given the amount of infantry units across the Army and Marine Corps, the committee is concerned about the adequacy of available ground transportation to move and sustain these light forces.

Given the comprehensive nature of the report the committee would also like to be made aware of any redundancies and obsolete capabilities. In the end, the committee would be interested in recommendations to rebalance the joint force to maximize total avail-

able end strength, force structure and technology. This assessment should be made within the context of current force demands, current and emerging threats, forces available, and readiness. The committee intent is to ensure our ground forces have the needed capabilities and capacities to execute successful operational, all arms maneuver with all needed theater-level sustainment and support.

Report on independent assessment of the force structure of the Armed Forces to meet the national defense strategy (sec. 1078)

The committee recommends a provision that would require the Secretary of Defense to obtain and submit to Congress a report by an independent organization that assesses the threats to the United States, potential conflicts arising from those threats, likely Department of Defense responses to those threats, and the Department of Defense force posture, systems, and programs required to execute such responses. The report would also require an assessment of the ability of the forces to meet the day-to-day requirements of the commanders of the combatant commands.

Annual report on observation flights over the United States under the Open Skies Treaty (sec. 1079)

The committee recommends a provision that would require the Secretary of Defense to submit a report on the previous year's observation flights over the United States under the Open Skies Treaty. The report should include (a) a description of the flight path of the observation flight; (b) an analysis of whether any critical infrastructure of the United States was subject of image capture activities of the observation flight; and (c) a description of the costs imposed on the Department of Defense and other relevant agencies by the observation flight.

Reports on programs managed under alternative compensatory control measures in the Department of Defense (sec. 1080)

The committee recommends a provision that would require the Department of Defense (DOD) to provide certain reports and notifications regarding programs that DOD manages under alternative compensatory control measures (ACCM).

The Department of Defense typically uses the ACCM system to manage program of lesser sensitivity or programs with a less enduring life than the programs that it manages under special access (SAP) program channels.

The committee believes that DOD needs to provide more rigorous oversight of and reporting on ACCM programs. Despite several directions from Congress to the DOD to produce better information and inventories of these programs, DOD has failed to do so.

Therefore, the committee sees no alternative but to include legislation on the matter.

Requirement for notice and reporting to Committees on Armed Services of certain expenditures of funds by Defense Intelligence Agency (sec. 1081)

The committee recommends a provision that would add the Armed Services Committees of the Senate and the House of Representatives to a reporting requirement under 50 U.S.C. 3038(c) that allows the Defense Intelligence Agency to use limited funds without regard to the provisions of law or regulation relating to the expenditure of U.S. Government funds.

Repeal of Department of Defense reporting requirements for which statutory requirement is from an amendment made by an annual national defense authorization Act (sec. 1082)

The committee recommends a provision that would repeal the requirements for several reports that are mandated by an annual National Defense Authorization Act and by other public laws.

Repeal of Department of Defense reporting requirements for which statutory requirement is specified in an annual national defense authorization Act (sec. 1083)

The committee recommends a provision that would repeal several requirements for the Department of Defense to provide reports that have been added by an annual National Defense Authorization Act.

Repeal of requirements relating to efficiencies plan for the civilian personnel workforce and service contractor workforce of the Department of Defense (sec. 1084)

The committee recommends a provision that would repeal section 955 of the National Defense Authorization Act for Fiscal Year 2013 (Public Law 112–239).

Subtitle I—Other Matters

Military service management of F–35 Joint Strike Fighter program (sec. 1086)

The committee recommends a provision that would disestablish the F–35 Joint Program Office and devolve relevant responsibilities to the Air Force and the Navy. The committee believes the current management structure of the F–35 Joint Strike Fighter program is in need of change. The F–35 program's original operational requirements called for 70–90 percent commonality between the three variants. In reality, even the Program Executive Officer of the F–35 Joint Program Office, General Christopher Bogdan, recently admitted the variants are only 20–25 percent common, primarily in their cockpits. The Air Force, Navy, and Marine Corps each fly primarily a single variant and have different roles and missions, concepts of operations, and deployment requirements, all leading to highly different priorities for F–35 capabilities, capacity, maintainability, and follow-on modernization. International partners have needs and priorities that differ even further from the U.S. military services. These forces, coupled with the lack of commonality, have led to a situation in which, as General Bogdan stated in 2013, "We have three airplane programs running in parallel." Indeed, as re-

cently as April 2016, in reference to the 2,590 Joint Program Office and Integrated Test Force personnel, General Bogdan stated "I don't know if that's enough or not, or if it's too much. It's what we have. You ought to look at the F–35 numbers and remember that we're building three variants for 14 customers, so maybe it's not a bad size for three programme offices."

The committee is concerned the program management structure currently in place was established for a commonality in variants that never materialized, is ill-suited to meet the current and future requirements and priorities of the services and international partners, and prevents the true alignment of responsibility and accountability within the services and the Department of Defense as a whole.

Therefore, the committee directs the Secretary of Defense, not later than 6 months after the F–35 Milestone C decision (currently scheduled for April 2019) to disestablish the Joint Program Office and devolve relevant responsibilities to the Department of the Air Force and the Department of the Navy. The Department of the Air Force and the Department of the Navy shall establish separate program offices to manage the production, sustainment, and modernization of their respective aircraft. The Air Force shall manage all aspects related to the F–35A variant and the Navy will manage all aspects related to the F–35B and F–35C variants. The Air Force and Navy will establish processes to coordinate on issues where commonality exists. The committee further directs the Secretary of Defense, not later than February 1, 2017, to submit to the congressional defense committees a report outlining the Department's implementation plan. Additionally, the committee directs the Governmental Accountability Office to review the Department's plan and to brief the congressional defense committees on their findings within 90 days of the report's submission.

The committee believes that the current consensus-driven management structure of the Joint Strike Fighter program is ill-suited to what are in essence three separate aircraft programs, has led to aircraft that do not fully meet its customers' needs, and stifles the proper alignment of responsibility and accountability. The committee believes the Department must act now to begin implementing necessary changes.

Treatment of follow-on modernization for the F–35 joint strike fighter as a major defense acquisition program (sec. 1087)

The committee recommends a provision that would require the Department of Defense to treat the F–35 Follow-on Modernization program as a separate Major Defense Acquisition Program (MDAP). The committee strongly supports the F–35 Joint Strike Fighter program and efforts to ensure F–35 capabilities outmatch any potential adversary for the decades the F–35 will be in our tactical aviation force. However, the committee is concerned that the decision by the Undersecretary of Defense for Acquisition, Technology and Logistics to manage F–35 Block 4 development under the existing F–35 acquisition program will limit the transparency, accountability, and oversight required for a program as large and as important to our future combat capability as the F–35.

The first increment of modernization, Block 4.1, is scheduled to enter the fleet in fiscal year 2020, with subsequent increments following every 2 years through delivery of increment 4.4 in fiscal year 2026. The Government Accountability Office (GAO) estimates the Department will spend nearly $3.0 billion on F–35 follow-on development efforts over the next 6 years alone, easily exceeding the statutory and regulatory thresholds for a MDAP. The committee believes the reporting and oversight mechanisms required of a MDAP, such as a business case analysis and cost, schedule, and performance reporting, are necessary for Congress and our international partners in the Joint Strike Fighter program to provide quality oversight for a long-term, multi-billion dollar program.

The committee believes the F–22 Raptor program offers an instructive lesson in the dangers of managing an expensive and complicated modernization program under an existing program baseline. The committee believes the Department should heed that lesson and avoid repeating mistakes of the past.

Reduction in minimum number of Navy carrier air wings and carrier air wing headquarters required to be maintained (sec. 1088)

The committee recommends a provision that would amend section 5062 of title 10, United States Code, to reduce the number of air wings required to be maintained and fully staffed from 10 to 9.

While the committee does not believe cutting naval aviation infrastructure is advisable in the current security environment, inadequate funding for defense prevents the Department of the Navy from funding all necessary requirements. Should adequate funding become available, the committee intends to repeal this provision.

Streamlining of the National Security Council (sec. 1089)

The committee recommends a provision that would streamline the statutory requirements of the National Security Council (NSC) and limit the size of the NSC professional staff to no more than 150 individuals, which includes detailees and assignees from other agencies and contractors. The purpose of this provision is to return to the intended statutory purpose of the NSC and to correct constitutional separation of powers concerns when the NSC staff, which is presently shielded from congressional oversight, conduct operations or activities that are appropriate for departments led by individuals holding Senate-confirmed positions.

The National Security Council was established by the National Security Act of 1947 (P.L. 235–61 Stat. 496; U.S.C. 402) and amended by the National Security Act Amendments of 1949 (63 Stat. 579; 50 U.S.C. 401 et seq.) By establishing the NSC in statute, Congress sought to create an enduring institutional structure to assist the president in setting strategic guidance, coordinating U.S. foreign and defense policy, and facilitating interagency cooperation and integration on national security matters. The statute also specifically authorized a NSC staff to be headed by a civilian executive secretary appointed by the President.

Since its establishment, NSC internal meeting structures and processes of the NSC have varied, reflecting the decision-making

style and leadership of the president. Yet, over the last couple decades, one attribute has remained true under administrations of both parties: the size of the NSC staff has consistently grown.

That growth has been influenced by additional committees and participation requirements created in statute for the NSC. These congressional additions have only added to the growth of the NSC staff. The growth in staff and statutory requirements has not, however, resulted in a more effective decision-making process. In fact, the enlarged staff and burdensome statutory requirements have undermined the original congressional intent of the statute, which was to provide a mechanism for strategic and coherent national security policy making. Indeed, a larger NSC staff has created bureaucratic inefficiencies, incentivized staff involvement in operational and tactical national security decisions, weakened national security prioritization, and undermined the strategic guidance that the country's national security apparatus requires to integrate and implement policy successfully.

The personnel limitations in this provision would not apply to staff that are designated as wholly administrative or technical support staff.

Form of annual national security strategy report (sec. 1090)

The committee recommends a provision that would require each national security strategy report as required by section 108 of the National Security Act of 1947 (50 U.S.C. 3043) to be transmitted in classified form. Such report may contain an unclassified summary.

Border security metrics (sec. 1091)

The committee recommends a provision that would require the Secretary of Homeland Security to develop metrics to measure the effectiveness of security at ports of entry, between ports of entry, and in the maritime environment not later than 120 days after the enactment of this Act.

The committee believes that the establishment of such metrics will enhance the ability of the Department of Homeland Security (DHS) to assess its progress in securing the borders of the United States by using consistent, regular and robust border security performance measures. Additionally, the committee believes that the creation of such metrics will not only enhance the ability of DHS to more accurately measure the effectiveness of its operations along the borders, but also will better inform its coordination with, and requests for support from the interagency, including the Department of Defense.

Consolidation of marketing of the Army within the Army Marketing Research Group (sec. 1092)

The committee recommends a provision that would consolidate all marketing functions of the Regular Army, Army Reserve, and Army National Guard within the Army Marketing Research Group no later than October 1, 2017.

The committee notes that the National Commission on the Future of the Army recommended consolidation of marketing func-

tions under the authority of the Army Marketing Research Group to ensure unity of effort across all three Army components.

The committee strongly supports the Commission's recommendation. The committee believes that marketing of the United States Army should be a Secretariat responsibility as the authority, direction, and control for all three Army components rests with the Secretary of the Army. Additionally, consolidation of marketing functions will allow for unity of effort, as identified by the Commission, and also ensures a strategic approach to marketing to maximize efficiencies, eliminate duplication and cross-messaging, provide appropriate oversight of advertising initiatives, and continue to build upon one Army message to the American public.

The committee understands that marketing is an important component of the Army's ability to increase and sustain public understanding of military service and to articulate the value of service in the Army in defense of our nation. The committee notes that marketing plays an important role in the recruitment of soldiers, particularly during the last 14 years of conflict.

Protection against misuse of Naval Special Warfare Command insignia (sec. 1093)

The committee recommends a provision that would add a new section 7882 to title 10, United States Code, to prohibit a person from using any covered Naval Special Warfare insignia in connection with any promotion, service or other commercial activity when a particular use would be likely to suggest a false affiliation, connection, or association with, endorsement by, or approval of, the United States, the Department of Defense, or the Department of the Navy, and to authorize the Attorney General to initiate civil proceedings to prevent unauthorized use of such insignia.

Program to commemorate the 100th anniversary of the Tomb of the Unknown Soldier (sec. 1094)

The committee recommends a provision that would require the Secretary of Defense to conduct a program to commemorate the 100th anniversary of the Tomb of the Unknown Soldier.

Sense of Congress regarding the OCONUS basing of the KC–46A aircraft (sec. 1095)

The committee recommends a provision that would express the sense of the Congress regarding the basing of KC–46A tanker aircraft outside of the continental United States.

Replacement of quadrennial defense review with national defense strategy (sec. 1096)

The committee recommends a provision that would amend section 118 of title 10, United States Code, to require the Secretary of Defense to provide the congressional defense committees, in January of each year, a national defense strategy. The new national defense strategy would replace the report known as the Quadrennial Defense Review (QDR). The committee concluded that the length of time needed to develop the QDR made the report irrelevant to actual national security decision-making because the na-

tional security environment evolved more quickly than the review process.

The provision would require the Secretary of Defense to provide the congressional defense committees a defense strategy, in classified form, that addresses the highest priority missions for the Department of Defense, the most critical and enduring threats to the national security of the United States and its allies posed by states or non-state actors, and the strategies that the Department will use to counter those threats. The report would also have to discuss a strategic framework to prioritize these missions and threats as well as discuss the major investments that the Department will make over the following five-year period to match that strategic framework. The Secretary would be required to seek the advice of the Chairman of the Joint Chiefs of Staff in preparing each defense strategy. An unclassified summary would accompany the strategy.

The more frequent review and development of a classified guiding strategy document would more rapidly develop the necessary level of detail on threat actors and corresponding strategies, resource requirements, and programmatic, readiness, and posture needs, and would therefore provide Department officials greater and more timely guidance in the execution of the strategies laid out in the report and the broader furtherance of their duties. The requirements in statute for the National Defense Panel would remain, but be required every four years rather than every two years to provide an independent assessment of the Department's threat assessments, strategies, and frameworks linking ends, ways, and means.

Items of Special Interest

Air Force training with partner nations

The committee is aware that the German Air Force recently decided to terminate its contract with the U.S. Air Force that has allowed the German Air Force to operate a tactical training center at Holloman Air Force Base (AFB) . The current contract will end in 2019. The German Air Force presence peaked in 2005 with 850 personnel and 38 Tornado aircraft.

The German Air Force presence in the United States supported the strategic alliance between our two nations and created unique and valuable training opportunities between our two militaries. Given that the current arrangement is ending, the committee encourages the Department of Defense to explore other ways in which the German Air Force might continue its presence at Holloman AFB.

If the Department and the German Air Force are unable to achieve an understanding about a long-term presence by the German Air Force in the United States, the committee encourages the Department to examine training opportunities with other partner nations that would utilize the weather, terrain, airspace, and infrastructure available at Holloman AFB.

Arctic Search and Rescue

The committee is aware of the expanding access to the Arctic region due to diminishing sea ice, including an increase in shipping

traffic along the Northern Sea Route, the Northwest Passage, and potentially, a transpolar route. The committee is concerned with the limited capabilities of the United States to conduct search and rescue operations throughout the Arctic region. The committee understands the Alaska National Guard has developed an air-dropped, palletized, Arctic Sustainment Package (ASP) to enable the survival of twenty-five individuals for three days in harsh Arctic conditions. This package is deployable over vast distances—both over water and over land—and is suitable to sustain life in the High Arctic environment. The Alaska National Guard currently possesses two ASPs, but additional units could be beneficial.

Therefore, the committee directs the Secretary of Defense to develop a plan for identifying Arctic search and rescue requirements, resourcing such capabilities, including those like the ASP, and developing the tactics, techniques, and procedures required to employ these capabilities. The committee directs the Secretary to provide both a written plan and briefing to the congressional defense committees no later than 180 days following the enactment of this Act.

Army Modernization Strategy

The committee directs the Chief of Staff of the United States Army to develop a comprehensive modernization strategy for the total Army. This strategy should explicitly address the Army's vision, end-state, key objectives, war fighting challenges, and risks. It should be sufficiently descriptive to drive requirements, set priorities, identify opportunity costs, and establish time lines. The committee assesses that a comprehensive strategy would give strategic purpose to existing acquisition programs and branch specific strategies. It could also provide the Army an understanding of potential long term costs beyond the future year defense program and aid in the decision-making process to terminate unneeded or underperforming programs. The committee directs this strategy to be submitted with the Presidential Budget for the National Defense Authorization act for Fiscal Year 2018.

The committee is concerned the Army is woefully behind on modernization. The committee believes the Army must modernize for the harsh realities of 21st century warfare. Our soldiers must be trained, organized and equipped for an increasingly diverse and complex range of threats. They must be able to win against peers in highly lethal, combined arms maneuver; against near peers in hybrid warfare conditions; and against determined, unconventional insurgents. The committee notes other armies, including potential adversaries, are modernizing at a rapid pace.

The committee notes that the Army has published numerous strategies for specific programs such as small arms, tracked combat vehicles, wheeled vehicles and aviation. Yet the Army does not possess an all-encompassing modernization strategy that provides purpose and priority to the above. Given that the Army expends tens of billions of dollars on procurement, research, development, testing and evaluation each year, the committee views a comprehensive Army modernization strategy as essential.

The committee acknowledges the Army remains engaged in active operations across the world and accordingly has made readiness its first priority. However, the committee assesses moderniza-

tion as a critical requirement for readiness in the very near future. Modernizing while supporting operational demands is not easy, but it has been done before. Army leaders like General Abrams transformed the Army before. They restored the discipline and morale of the force in the aftermath of the Vietnam War. They transitioned the Army to an All-Volunteer Force while revolutionizing training doctrine. And they built an Army that won the Cold War and removed Saddam Hussein from Kuwait.

Army Unmanned Aerial Systems (UAS)

The committee notes the Department of Defense's plans to meet the needs of the combatant commanders by increasing the number of Unmanned Aerial System (UAS) Combat Air Patrols (CAPs) in part through an increase of Army UAS units to accommodate as many as 16 Army UAS CAPs.

Therefore, the committee directs the Secretary of the Army submit to the congressional defense committees not later than 120 days after the enactment of this Act a report on how the Army plans to increase its training resources for its Shadow and Gray Eagle platforms, improve facilities, and protect its training ranges to support the growth of Army UAS CAPs. This report shall also include an analysis on the need for the Army to re-establish an Army UAS Center of Excellence given the increased role for Army UAS training and operations.

Comptroller General assessment of national defense implications of the next generation air traffic management system

The committee is concerned with the potential national defense implications of the next generation air traffic management system, specifically with the main component of the system known as Automatic Dependent Surveillance-Broadcast (ADS–B).

The committee recognizes the significant safety, cost, and efficiency advantages of ADS–B operations over the legacy system of air traffic control radar surveillance of air traffic. ADS–B enhances system situational awareness, collision avoidance, runway and airport airspace incursion avoidance, and the ability to implement air traffic control in non-radar environments, such as sparsely populated areas and oceanic surveillance. ADS–B also contributes to more direct aircraft routing and optimized departures and approaches, which increase capacity and save time and fuel. Finally, ADS–B infrastructure relies on simple ground and airborne radio equipment that is significantly cheaper to install and maintain than the mechanical infrastructure associated with traditional radar ground stations.

The committee is concerned that many of the characteristics that give ADS–B operations its significant advantages also expose potential vulnerabilities for exploitation by entities or individuals with nefarious intent. An inexpensive software-defined radio, a laptop computer, and a small nondescript antenna are all that are needed to monitor and potentially exploit extremely accurate, real-time aircraft position and operations details that are continuously broadcast using unencrypted digital encoding.

Therefore, the committee directs the Comptroller General of the United States to conduct a study, with preliminary observations due no later than March 3, 2017 and a final report to the Committees on Armed Services of the Senate and the House of Representatives to follow. The assessment by the Comptroller General should include:

(1) Implications for ADS–B operations on detection, identification, cueing, and targeting for air sovereignty and air defense operations against airborne threats;

(2) Effect of ADS–B operations on integrated tactical warning and attack assessment decision-making processes and authorities;

(3) Vulnerabilities from cyber attack against ADS–B related network operations and potential impacts to military operations;

(4) Susceptibility of ADS–B to meaconing, intrusion, jamming, and interference and potential impacts to military operations;

(5) Implications for ADS–B operations on force protection and operational security for military airborne assets operating en route between and on military installations;

(6) Options for mitigating potential vulnerabilities; and

(7) Other information such that the Comptroller General considers appropriate to include in the report.

Comptroller General assessment of priorities and processes for operational support airlift and executive airlift by Department of Defense aircraft

The committee is aware senior federal government officials, including the President, Vice President, cabinet members, other high-ranking executive branch officials, general and flag officers, and members of Congress are authorized to fly on military aircraft. Moreover, certain officials are required to use military aircraft under circumstances where they require security, continuous access to secure communications, or have exceptional scheduling demands. This high priority movement of senior government officials, known as operational support airlift and executive airlift (OSA/EA), is accomplished with a fleet of aircraft assigned to the Air Force's 89th Airlift Wing, located at Joint Base Andrews, Maryland. Additionally, certain other high ranking government officials assigned throughout the United States and around the world also rely on military airlift using aircraft based in many locations and operated by other services and agencies of the Department of Defense.

The committee recognizes the Government Accountability Office (GAO) has previously reported the number of OSA/EA missions increased steadily from fiscal years 2008 through 2012, with a concomitant increase in costs. The authorization to use government aircraft on OSA/EA missions is governed by guidance that includes a priority order based on civilian seniority and military rank. The committee desires to ensure the guidance and priority order are implemented effectively and fairly.

Therefore, the committee directs the Comptroller General of the United States to review the implementation of relevant government guidance specifying the prioritization, scheduling, and execution of

OSA/EA missions, or other uses of military aircraft for passenger travel. Preliminary observations will be provided no later than March 3, 2017 to the Committees on Armed Services of the Senate and of the House of Representatives, with a final report to follow. The assessment by the Comptroller General should include:

(1) The guidance governing the use of military aircraft for OSA/EA missions or other uses of military aircraft for passenger travel;

(2) How the priority order for use of military aircraft for passenger travel is developed and distributed;

(3) The number of requests, fulfillments, and denials for use of military aircraft for OSA/EA support occurred from fiscal years 2014 through 2016, and the reasons for any denials or nonfulfillments;

(4) How effectively the Department of Defense (DoD) implemented the relevant guidance and used management controls to ensure OSA/EA missions are properly approved, scheduled, and executed, including the basis for any waivers or deviations from the guidance; and

(5) Other information such that the Comptroller General considers appropriate to include in the report.

Domain awareness in the Arctic

The committee notes that on May 15, 2015, the Secretary of Defense stated that "the Arctic is going to be a major area of importance to the United States, both strategically and economically in the future." The committee further notes that there has been an increase in commercial and military activity in the Arctic region by other nations, including China and Russia. As activity in the Arctic has increased, the committee is concerned that Department of Defense capabilities that support communications and domain awareness in the region, including intelligence, surveillance, and reconnaissance (ISR) assets, remain limited. The committee encourages the Department, in coordination with the U.S. interagency and foreign partners, to explore multi-domain, multi-service, cost effective ISR capabilities and interoperability in order to respond effectively to future contingencies and to fulfill the Department's strategic objectives in this important region.

Night vision technology for the southern border

The Committee notes that, while authorities currently exist to allow the transfer of certain excess equipment, such as night vision technology, from the Department of Defense to other federal agencies, U.S. Customs and Border Protection continues to lack critical night vision technology on the southern border. Therefore, the Committee urges the Secretary of Defense to accelerate the transfer of any excess inventory of modernized and serviceable night optical devices and thermal viewers, to the extent practicable, to U.S. Customs and Border Protection for the purposes of enhancing border security.

Predictable Funding for the National Guard Counterdrug Program

The National Guard Counterdrug Program (NGCP) is a federally-funded program that provides military-specific skill-sets to law enforcement agencies and community based organizations to battle the supply and demand for illicit drugs. Reductions in funding and the timing of funding continues to be a limiting factor for the NGCP. Such factors impede the effective sustainment of relationships with supported agencies and impacts the retention of highly-trained individuals.

The committee directs the Under Secretary of Defense (Comptroller) to work with the National Guard to develop a process to ensure more consistent and predictable funding to mitigate gaps or delays. The committee expects that this effort should result in increased predictability of funding, improve long-term planning, stabilize analytic support to law enforcement agencies, increase flexibility to respond to emerging drug-related threats, reduce repetitive initial training and ramp up of personnel, and the ability to continue mission support without interruption.

Study on Article III trials for Guantanamo Bay detainees

The committee notes that certain charges, including conspiracy and material support to terrorism, may not be available as charges before Military Commissions. The committee is interested in understanding the range of options available for individuals held at Guantanamo that the United States believes are guilty of such offenses. Accordingly, the committee directs the Secretary of Defense, in consultation with the Secretary of State and the Attorney General of the United States, to study options for bringing such charges against individuals held at Guantanamo in Article III courts. The study shall review the feasibility of trying such individuals remotely via teleconference and locating an Article III court near the detention facility on Guantanamo Naval Base, Cuba. The feasibility study should detail the practical, security, and constitutional limitations of such options.

Total Army end strength

The Committee remains concerned about the appropriate size of the Army, to include both the Active and Reserve Component, and its readiness posture. As a result of the Budget Control Act, the Army has drawn down its end strength with a goal of 450,000 soldiers by the end of Fiscal Year 2018.

General Mark Milley, the Chief of Staff of the Army, stated at the Army Posture hearing that the budget caps have resulted in a significant reduction in funding for modernization and research and development. He also emphasized that readiness is the top priority for the Army. In light of the threats confronting our nation, to include Russia, China, North Korea, Iran, and ISIS, the Army has accepted high military risk to meet the requirements of the National Security Strategy and the Defense Planning Guidance. But as General Milley also stated before this committee, we will "make the most efficient and effective use of the Army that we have."

The Committee supports the Army's efforts to increase readiness levels throughout the force, and recognizes the need to reassess the Army 's size in conjunction with available funding sources and the threats facing our country.

TITLE XI—CIVILIAN PERSONNEL MATTERS

Subtitle A—Department of Defense Matters Generally

Civilian personnel management (sec. 1101)

The committee recommends a provision that would modify Section 129 of title 10, United States Code to remove restrictions on managing civilian personnel within the Department of Defense on the basis of man years, end strength, full-time equivalent positions, or maximum number of employees. The provision would add a new section requiring a report no later than February 1 of each year from the Secretary of Defense to the congressional defense committees on the management of the civilian workforce of the Office of the Secretary of Defense and the Defense Agencies and Field Activities. The Secretary of each military department would also be required to submit a report on the management of the civilian workforce under the jurisdiction of each Secretary which provides for the projected size of the civilian workforce in the current year and for each year in the future-years defense program to include a justification of any projected increases.

Repeal of requirement for annual strategic workforce plan for the Department of Defense (sec. 1102)

The committee recommends a provision that would repeal the reporting requirement for the Department of Defense to submit a biennial strategic workforce plan, as contained in section 115b of title 10, United States Code.

Temporary and term appointments in the competitive service in the Department of Defense (sec. 1103)

The committee recommends a provision that would modify statutory provisions to allow the Department of Defense to develop more strategic outreach efforts to recruit the talent needed to address a critical hiring need. The Department of Defense would determine recruitment sources, including processes for the solicitation of applications, and agencies would continue to be held responsible for merit-based hiring decisions, consistent with other employment requirements.

Personnel authorities related to the defense acquisition workforce (sec. 1104)

The committee recommends a provision that would repeal section 1762 of title 10, United States Code, and create a new section 1763 of title 10, United States Code to provide a permanent authority that would allow the Secretary of Defense to establish and adjust a special system of personnel programs for employees in the Department of Defense civilian acquisition workforce and supporting

personnel assigned to work directly with that workforce. Specifically, this provision would change the Civilian Acquisition Workforce Personnel Demonstration Project (AcqDemo) from an indefinite project to a permanent system under the sole authority of the Secretary. This provision would retain for the new system the current authorities applicable to the demonstration project and provide the ability to expand coverage of acquisition organizations and personnel so that all of the acquisition workforce and the supporting personnel assigned to work directly with that workforce may participate.

The AcqDemo was designed to experiment with the necessary personnel flexibilities and tools that can function in a dynamic acquisition environment to improve Department of Defense managers' ability to manage the acquisition workforce and its productivity effectively. Since the AcqDemo implementation in fiscal year 1999, the classification, contribution assessment, and compensation flexibilities have become essential within the acquisition cadre of workforce management tools. Therefore, the committee recommends a provision that would make permanent the system of acquisition personnel programs containing tested and accepted flexibilities needed by the acquisition workforce to better support the warfighters under a single organization within the Department of Defense.

Direct hire authority for financial management experts into the Department of Defense workforce (sec. 1105)

The committee recommends a provision that would provide each secretary of a military department with the authority to appoint qualified candidates possessing a finance, accounting, management, or actuarial science degree to financial management, accounting, auditing, and actuarial positions within the Department of Defense workforce. This authority is limited to 10 percent of the total number of finance, accounting, management, or actuarial science degree to financial management positions within each military department that are filled as of the close of the fiscal year last ending before the start of such calendar year. This authority expires on January 1, 2023.

Direct hire authority for the Department of Defense for post-secondary students and recent graduates (sec. 1106)

The committee recommends a provision that would would establish a Department of Defense (DoD) civilian on-campus recruiting authority under title 10 as an alternative to the federal government-wide Pathways program (established by Executive Order 13562) and other Title 5 hiring authorities. This proposal would facilitate DoD recruiters' efforts to recruit students directly to civilian positions using a new hiring authority expressly designed for this purpose. Hiring managers and recruiters, who already travel to specific schools with programs they want to target, would be able to involve candidates in a rigorous interview process, and make conditional offers on the spot. This would allow DoD to compete for highly qualified students and recent graduates. This authority would be limited to no more than 15 percent of the total number of hires made into professional and administrative occupa-

tions of the Department at the GS–11 level and below annually and would sunset four years after the date on which the Secretary first appoints a recent graduate or current post-secondary student to a position under this section.

Public-private talent exchange (sec. 1107)

The committee recommends a provision that would allow Department of Defense employees to work in the private sector and for private industry employees to work within the Department of Defense. Exchanges would encourage Department of Defense employees to gain skills that align with functional communities or occupational specialties. As this authority would build on programs like the Intergovernmental Personnel Act (IPA), the committee understands that the Department of Defense has established procedures for monitoring and controlling salaries and expenses for the IPA program, including a limitation on salaries that may be paid or reimbursed for IPAs, and expects that such constraints will be applied to the pilot authorized by this provision.

Training for employment personnel of Department of Defense on matters relating to authorities for recruitment and retention at United States Cyber Command (sec. 1108)

The committee recommends a provision that would require training for employment and human resources personnel at the Department of Defense on special recruitment, hiring, special pays, and retention authorities for positions at United States Cyber Command. In addition to training, written guidance would also be required to inform such employees of the Department of Defense on which authorities are available and how to use those authorities.

The committee recommends a report to be completed by the Secretary of Defense no later than 180 days after the date of the enactment of this Act. The report shall include a description of the training that the Secretary intends to provide to each of the employees described and the frequency with which the Secretary intends to provide such training.

Increase in maximum amount of voluntary separation incentive pay authorized for civilian employees of the Department of Defense (sec. 1109)

The committee recommends a provision that would increase the maximum amount of separation pay authorized for Voluntary Separation Incentive Pay (VSIP) from the current ceiling of $25,000 to $40,000 for civilian employees of the Department of Defense. This increased maximum amount would adjust for inflation from when VSIP was first authorized for the Department of Defense in 1993. The Chief Human Capital Officers Act of 2002 (Public Law 107–296) provided government-wide authority to provide VSIP. The maximum payable amount has not been adjusted since VSIP was first authorized.

Repeal of certain basis for appointment of a retired member of the Armed Forces to Department of Defense position within 180 days of retirement (sec. 1110)

The committee recommends a provision that would amend section 3326 of title 5, United States Code, to repeal subsection (b)(3) which allows the Secretary concerned to waive the restriction on the appointment of retired members of the armed forces to positions in the civil service in the Department of Defense within 180 days of their retirement based on a state of national emergency.

The committee notes with concern the conclusions of the United States Merit Systems Protection Board (MSPB) in its report "Veteran Hiring in the Civil Service: Practices and Perceptions," concerning the effect of the national emergency waiver since 2001 on the application of this so-called "180-day rule." The purpose of the law, enacted over 50 years ago, was to ensure that retired military members were not given civil service positions for reasons other than merit, a practice that can, over time, lead to unhealthy results for the civil service, and more immediately undermine long-standing merit principles that seek to ensure the most-qualified individuals are considered for federal employment.

The committee appreciates the unique and broad experience military retirees bring to the civil service, but the committee also recognizes the virtues afforded by career civil servants. Most military retirees and other veterans already receive hiring preferences in recognition of their service. Beyond that, the committee believes veterans and retirees should compete on equal footing with other qualified applicants. As the report noted, between September 14, 2001, and the report's publication in August 2014, 41,630 military retirees were hired by the Department within the 180-day window. More than one-third of those appointments were made prior to the member's effective retirement date, and more than half occurred within a single pay period after retirement. These figures strongly imply a significant number of these members were hired directly into the offices which they supported while in the military. While not improper, per se, it does, as the MSPB report noted, create suspicions.

Finally, the committee is concerned about the affect this practice has on diversity within the Department, not just in terms of diversity as it is traditionally defined, but also on diversity of thought, experience, and background within the Department that is desirable in any organization.

Accordingly, the committee directs the Secretary of Defense to submit a report to the Committees on Armed Services of the Senate and the House of Representatives no later than February 1, 2017 with data concerning the extent military retirees are hired by the Department. Such report shall include the following elements: (1) the number of military retirees hired by the Department in fiscal years 2014 and 2015 prior to or within 180 days of their retirement; (2) the total number of military retirees hired by the Department during fiscal years 2014 and 2015 broken down by whether those individuals served as officers or enlisted personnel; (3) the number of non-military retiree veterans hired by the Department during fiscal years 2014 and 2015 who were beneficiaries of the veteran preference; (4) the number and categories of non-veteran

preference, preference eligible candidates hired by the Department during fiscal years 2014 and 2015; (5) the number of female applicants who did not qualify for preference eligible points hired by the Department during fiscal years 2014 and 2015; and (6) the number of male applicants who did not qualify for preference eligible points hired by the Department during fiscal years 2014 and 2015. Finally, the Secretary shall provide an assessment of how application of the veteran's preference since 2001 in the case of military retirees has impacted diversity within the Department, and the ability of the Department and the military services to consistently hire best-qualified individuals for federal service.

Pilot programs on career sabbaticals for Department of Defense civilian employees (sec. 1111)

The committee recommends a provision that would create a pilot program on career sabbaticals for Department of Defense civilian employees. The pilot program would be limited to 300 full-time civilian employees of each military department who may be selected during each of calendar years 2017 through 2022 to participate. Sabbaticals would be for 1 year and are intended to provide the Department of Defense an opportunity to respond to the personal, familial, and professional needs of individual members of its civilian workforce.

Limitation on number of SES employees (sec. 1112)

The committee recommends a provision that would limit the number of employees at the Department of Defense who are in the Senior Executive Service (SES). The limitation in this provision would reduce by 25 percent the number of covered SES employees of the Department, which were employed on December 31, 2015. The reduction required by this provision would be effective on January 1, 2019. Covered SES employees would not include "Highly Qualified Experts," which the provision limits to 200. The limitation would not apply to those employees of the Department who are appointed by the President and confirmed by the Senate.

No time limitation for appointment of relocating military spouses (sec. 1113)

The committee recommends a provision that would clearly articulate that there is no time limitation on a relocating spouse's eligibility for noncompetitive appointment from the date of the service member's permanent change of station orders to the spouses' permanent appointment per duty station.

Subtitle B—Department of Defense Science and Technology Laboratories and Related Matters

Permanent personnel management authority for the Department of Defense for experts in science and engineering (sec. 1121)

The committee recommends a provision that would amend Chapter 81 of Title 10, United States Code, to support efforts by the Defense Advanced Research Projects Agency (DARPA) to attract, recruit, and employ world class scientific, technical, and engineering

talent to manage and oversee the innovative research and technology development programs of the Agency. The recommended provision would make permanent the current experimental personnel authority that the agency has quite successfully employed, as well as preserve the Agency's ability to compete with the private sector for technical talent through flexibility in setting compensation levels. The provision would also make permanent similar authority to the Department of Defense research labs, as well as the office of Operational Test and Evaluation.

The committee notes that the agency's experimental personnel authority was originally authorized by Congress in section 1101 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (PL 105–261). Since then, the Agency has used this authority effectively to bring innovative and talented program managers into public service. This authority has allowed the Agency to use more rapid and flexible personnel practices to hire talented individuals into term positions in support of broader national security efforts.

The committee notes that these "1101" employees and their programs have made breakthrough contributions in areas as wide-ranging as robotics, unmanned systems, cybersecurity, artificial intelligence, and the development of advanced prosthetics currently being used by military veterans. These managers have overseen ground-breaking technological advances and investments in cutting-edge research, technologies, and prototypes that support current and future military capabilities. As an example, the committee highlights that technological advances made by the Agency have been fielded in operational systems used extensively over the last decade in successful operations in Iraq and Afghanistan. In total, the Agency is now leading efforts to develop critical military capabilities for the future.

The committee notes that on April 12, 2016, the subcommittee on Emerging Threats and Capabilities received testimony on the Agency's current efforts to support the Secretary's Third Offset Strategy, which is designed to maintain the military's technological superiority over peer adversaries through work in areas such as hypersonics, space systems, and robotics. During that testimony, the Agency's director highlighted the value of the Agency's personnel system, stating "Of course, at the center of DARPA's success is an abiding commitment to identify, recruit and support excellent program managers who are extraordinary individuals who are at the top of their fields and who are hungry for the opportunity to push the limits of their disciplines during their limited terms at DARPA. The 1101 experiment has now been running since 1999 and has clearly proven its benefits to DARPA and the nation. After 16 years of annual uncertainty about its ongoing availability, we would appreciate your support to make this authority permanent."

Permanent extension and modification of temporary authorities for certain positions at Department of Defense research and engineering laboratories (sec. 1122)

The committee recommends a provision that would amend Section 1107 of the National Defense Authorization Act for Fiscal Year 2014 (Public Law 113–66).

The committee notes that each year the science and technology reinvention laboratories of the Department of Defense hire hundreds of students with the expectation and hope that the laboratories can then successfully recruit the next generation of the best and brightest scientists and engineers. To expedite this critical process, the Congress has provided in previous years a direct hire authority for a limited number of students each year. The committee understands, however, that even this limited authority has not been sufficient to meet the needs of the laboratories over the past several years. Consequently, the committee recommends a provision that would increase the limit on the total number of students eligible for direct hire by the laboratories.

The committee notes with dismay that students that are brought onto the federal workforce on a temporary basis are considered laboratory employees only for the time that they are still enrolled in school, plus 120 days, at which point, they are effectively let go from their positions. The committee understands that oftentimes this separation occurs against the wishes of the student and of the laboratory director, who has no specific authority to retain that employee. In previous years, Congress has provided the authority for the labs to permanently hire some of these students upon graduation by converting them non-competitively to full-time status. The committee believes that expanding this direct hire authority to hire a greater number of students, and making the authority permanent, would allow directors to more effectively recruit the most talented students.

Direct hire authority for scientific and engineering positions for test and evaluation facilities of the Major Range and Test Facility Base (sec. 1123)

The committee recommends a provision that would give certain hiring authorities to test and evaluation centers.

In previous years, the committee has given the directors of the science and technology laboratories of the Department of Defense broad authority to shape their own workforce, including the ability to make direct hires. The committee is pleased to learn that, because of these authorities, lab directors report that they are now able to recruit and retain a workforce that is of a significantly higher quality. Directors are now able to compete more effectively with the private sector for top scientific and engineering talent. Recognizing that a talented, high-quality workforce is also vital to the mission of the test and evaluation facilities of the Department, the committee recommends a provision that would give the directors of these facilities the same direct hire authorities.

Just as it has done for laboratory scientists and engineers in previous years, the committee recognizes that scientists and engineers employed by the Defense test and evaluation facilities are a valuable national resource that ensure that cutting-edge technologies meet the needs of and are adequately tested for those that engage in our nation's frontline conflicts. These needs are continually evolving and as a result, the test and evaluation facilities across the enterprise are constantly called upon to prepare technologies and systems for deployment. In this regard, giving the directors for these facilities the authority to more freely shape their own

workforces is in direct support of the national security needs of the nation.

Permanent authority for the temporary exchange of information technology personnel (sec. 1124)

The committee recommends a provision that would amend Section 1110 of the National Defense Authorization Act for Fiscal Year 2010 (Public Law 111–84).

The committee notes that since it was established by the National Defense Authorization Act for Fiscal Year 2010 (Public Law 111–84), the Information Technology Exchange Program has been used by the Defense Department to temporarily bring on board private-sector experts in information technology and its management. The committee believes that this program has been helpful in modernizing the Defense Department's information technology capabilities and also in providing the Department with access to best practices and technologies. The committee also notes that this exchange program is still considered a pilot program, but that Congress has extended the authorization each time it has been required. Consequently, the committee recommends a provision that would make the Information Technology Exchange Program permanent.

Pilot program on enhanced pay authority for certain research and technology positions in the science and technology reinvention laboratories of the Department of Defense (sec. 1125)

The committee recommends a provision that would establish an enhanced compensation pilot program.

The committee notes that the workforce authorities Congress has provided to the Department of Defense science and technology laboratories in previous years have already proven to be quite beneficial in terms of recruiting and retaining a strong and talented science and engineering workforce that is ready to tackle the challenges of modern warfare. However, the committee is also aware that the laboratories continue to have difficult recruiting scientists at the very top of their fields, those that are bona fide global experts in their professions who command top salaries from their employers. The committee notes that thus far, laboratories have been powerless to compete for these individuals against the private sector. To help address this issue, the committee recommends a provision that would give service laboratories the authority to offer compensation above the maximum amount normally allowed by the executive schedule.

This provision would set strict limits on the types of positions that are eligible for enhanced pay authority, restricting them to positions that require expertise of an extremely high level and that are critical to the successful completion of an important laboratory mission. In addition, the authority could only be exercised with the approval of the relevant service acquisition executive, or higher depending on the level of authority exercised. As the provision would establish a pilot program for enhanced compensation, the authority would be limited to five positions in each service and only for term positions of less than 5 years. The committee believes that these

limitations will allow for an assessment on the effectiveness of this authority over the first several years.

The committee notes that highly-skilled subject matter experts are often in high demand in their fields, not only in the private sector but in non-profit research organizations and private labs, as well as in the government. The committee believes that allowing the defense laboratories to compete on a more level playing field will help to enhance the quality of the technical workforce in the defense research enterprise and ultimately be of benefit for our national security interests.

Discharge of certain authorities to conduct personnel demonstration projects (sec. 1126)

The committee recommends a provision that would amend Section 342(b)(3) of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–37).

The Department of Defense laboratory demonstration program was established by section 342 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337), and all decision-making authority regarding this program was granted to the Secretary of Defense by the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (Public Law 106–398). These provisions granted the Secretary the ability to make waivers for the demonstration program based on enhanced laboratory performance. Since then, despite numerous recommendations and internal disagreement, the Secretary opted to give exclusive jurisdiction over the program's waiver authorities to the Under Secretary of Defense for Personnel and Readiness. To remedy this situation, the committee recommends a provision that would ensure that the authorities granted to the Secretary to conduct laboratory demonstration programs are discharged through the Under Secretary of Defense for Acquisition, Technology, and Logistics. The provision also indicates that in the exercise of such authorities, an emphasis shall be placed on enhancing efficient operations of the laboratory.

The committee notes with dismay that over the past several years, the office of the Under Secretary of Defense for Personnel and Readiness has often declined proposals from the laboratories for demonstration programs. The committee believes that these denials have occurred because the office of the Under Secretary of Defense for Personnel and Readiness lacks the technical expertise that would be necessary to fairly evaluate demonstration program proposals. In response to this situation, the Congress has continued to pass statutes broadening these authorities, including statutes requiring the Secretary to fully implement laboratory authorities and granting laboratories broad authorities to shape their own workforces.

The committee believes that transferring the decision-making authority to the Under Secretary of Defense for Acquisition, Technology, and Logistics would re-focus the implementation of the demonstration program statutes on initiatives designed to enhance laboratory performance. The committee also believes that the Acquisition, Technology, and Logistics organization is most suited to provide legal interpretation on demonstration program proposals.

Subtitle C—Government-Wide Matters

Expansion of personnel flexibilities relating to land management agencies to include all agencies (sec. 1131)

The committee recommends a provision that would amend chapter 96 of title 5, United States Code, to expand the personnel flexibilities available to land management agencies to include all agencies government-wide, to include the Department of Defense.

Direct hiring for Federal wage schedule employees (sec. 1132)

The committee recommends a provision that would direct the Director of the Office of Personnel Management to permit certain agencies to use the direct-hire authority of permanent and non-permanent positions in the competitive service for prevailing rate employees when there is a severe shortage of candidates or a critical hiring need for such positions.

Appointment authority for uniquely qualified prevailing rate employees (sec. 1133)

The committee recommends a provision that would allow the head of an agency to appoint an individual to a prevailing rate position at such a rate of basic pay above the minimum rate of the appropriate grade in cases where there is an unusually large shortage of qualified candidates for employment, unique qualifications of a candidate of employment, or a special need of the Government for the services of a candidate for employment.

Limitation on preference eligible hiring preferences for permanent employees in the competitive service (sec. 1134)

The committee recommends a provision that would limit the application of points for preference eligible hiring to the first appointment of a preference eligible candidate in a permanent position in the competitive service.

Authority for advancement of pay for certain employees relocating within the United States and its territories (sec. 1135)

The committee recommends a provision that would authorize the use of advance payment of basic pay for current employees who relocate within the United States and its territories to a location outside the employee's current commuting area. Advance payment of basic pay under this provision would be limited in amount to not more than two pay periods.

Elimination of the foreign exemption provision in regard to overtime for federal civilian employees temporarily assigned to a foreign area (sec. 1136)

The committee recommends a provision that would amend sections 5542 and 5544 of title 5, United States Code, to allow overtime pay equal to one and one-half times the hourly rate of basic pay for nonexempt Federal civilian employees assigned to temporary duty travel in exempt areas as defined by the Fair Labor Standards Act of 1938.

One-year extension of authority to waive annual limitation on premium pay and aggregate limitation on pay for federal civilian employees working overseas (sec. 1137)

The committee recommends a provision that would amend section 1101 of the Duncan Hunter National Defense Authorization Act for Fiscal Year 2009 (Public Law 110–417), as most recently amended by section as amended by section 1108 of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92), to extend through 2017 the authority of heads of executive agencies to waive limitation on the aggregate of basic and premium pay of employees who perform work in an overseas location that is in the area of responsibility of the commander, U.S. Central Command (CENTCOM), or a location that was formerly in CENTCOM but has been moved to an area of responsibility for the Commander, U.S. Africa Command, in support of a military operation or an operation in response to a declared emergency.

Subtitle D—Other Matters

Modification of flat rate per diem requirement for personnel on long-term temporary duty assignments (sec. 1151)

The committee recommends a provision that would require the Secretary of Defense to take such action as may be necessary to provide that, to the extent that regulations implementing travel and transportation authorities for military and civilian personnel of the Department of Defense impose a flat rate per diem for meals and incidental expenses for authorized travelers on long term temporary duty (TDY) assignments that is at a reduced rate compared to the per diem rate otherwise applicable, the Service Secretary concerned may waive the applicability of such reduced rate and pay such travelers actual expenses up to the full per diem rate for such travel in any case when the Secretary concerned determines that the reduced flat rate per diem for meals and incidental expenses is not sufficient under the circumstances of the TDY assignment. The provision would allow a Service Secretary to delegate this authority to any commander or head of an agency, component, or systems command of the Department of Defense at the level of lieutenant general or vice admiral, or above, or civilian equivalent thereof and would permit an agency, component, or systems command to which the authority has been delegated to waive any requirement for the submittal of receipts to receive the full per diem rate in instances in which such commander, or head of an agency, component, or systems command personally certifies that such requirement will negatively affect mission performance, create an undue administrative burden, or result in significant additional administrative processing costs.

In the report accompanying the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–49), the committee stated that it wanted to ensure that the TDY "policy does not discourage some DOD personnel—including civilian workers at shipyards and depots—from volunteering for important TDY assignments" and directed the department to "monitor closely the effect of this new policy to avoid unintended disincentives and ensure that those who volunteer for mission essential travel are fully supported and en-

couraged." Congress, in section 623 of that Act, directed a review of the impact this policy has on affected employees, particularly those at public shipyards.

The committee notes that civilian public shipyard workers play a critical role in maintaining naval ships and submarines, ensuring combatant commanders have the safe and combat ready naval vessels they require. The committee also notes that the Naval Sea Systems Command (NAVSEA) has expressed concerns that the long-term temporary duty (TDY) per diem policy of the Department is having a negative impact on ship and submarine maintenance and the civilian employees of naval shipyards traveling for direct labor in support of off-yard work.

In a January 19, 2016 letter, the Commander of NAVSEA wrote that the new policy "has already had a negative impact on the Naval Shipyards' ability to effectively and efficiently conduct Navy ship maintenance." The commander also wrote that the policy "is jeopardizing the successful execution of off station availabilities and costing the Navy more than the intended savings", and that "civilian employee desire to voluntarily travel has significantly declined." The commander requested that these shipyard workers be "exempt from Long Term Flat Rate Per Diem." On April 5, 2016, the Commander, NAVSEA reiterated his concerns in his testimony before the Senate Armed Services Readiness and Management Support Subcommittee. On March 15, 2016, the Vice Chief of Naval Operations also expressed concern in her testimony before the committee about the long-term TDY policy and its impact on public shipyard workers.

It is the committee's understanding and expectation that the Navy would delegate the authority to NAVSEA to waive the reduced TDY rate and waive any requirement for the submittal of receipts at a minimum for cases related to naval shipyard civilian employees traveling on TDY in support of off-yard work. The committee also understands and expects that, consistent with Commander, NAVSEA's letter and Navy testimony, NAVSEA would utilize this authority to ensure that naval shipyard employees traveling on long term TDY in support of off-yard work would not be subject to the reduced TDY rate and would not be required to submit receipts in order to receive the full per diem rate if so certified by such commander in accordance with the provision.

One-year extension of temporary authority to grant allowances, benefits, and gratuities to civilian personnel on official duty in a combat zone (sec. 1152)

The committee recommends a provision that would extend by 1 year the discretionary authority of the head of a federal agency to provide allowances, benefits, and gratuities comparable to those provided to members of the Foreign Service to an agency's civilian employees on official duty in a combat zone.

Items of Special Interest

Furlough of Department of Defense civilian employees

The committee notes that in the rare case of an administrative furlough, the Department of Defense should consider mission first

in making furlough decisions, with great consideration given to unit readiness.

Performance metrics relative to procedures for reduction in force of Department of Defense civilian personnel

Section 1101 of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92) requires the Secretary of Defense to establish procedures to provide that performance be the primary factor in determining which employees be separated under a reduction in force of civilian positions of the Department of Defense. Subsequent to the enactment of this requirement, the Department implemented the New Beginnings performance management system, which includes two performance metrics, a summary rating and the rating of record. The Committee believes that the Department, in implementing the requirements of section 1101, should use the performance metric that best differentiates the performance of civilian employees for these purposes. The Committee directs the Secretary to provide the Committees on Armed Services of the Senate and the House of Representatives a report detailing its implementation plan for section 1101 by no later than September 1, 2016.

Report on automatic step increases for Department of Defense civilians

The committee directs the Secretary of Defense, in consultation with the Director of the Office of Personnel Management, to submit a report to the Committees on Armed Services of the Senate and the House of Representatives no later than March 1, 2017, on the feasibility of using a minimum of satisfactory performance as the metric required for step increases for Department of Defense civilians rather than the current time-in-grade system. The report should include an analysis of how such a change could enhance the ability of civilian personnel managers to manage those employees whose performance is below satisfactory and improve their performance.

TITLE XII—MATTERS RELATING TO FOREIGN NATIONS

Subtitle A—Assistance and Training

Three-Year Extension of Commanders' Emergency Response Program (sec. 1201)

The committee recommends a provision that would extend through fiscal year 2019 the Commanders' Emergency Response Program (CERP) in Afghanistan under section 1201 of the National Defense Authorization Act for Fiscal Year 2012 (Public Law 112–81) as amended. The provision would also expand the authorization to make certain payments to redress injury and loss in Iraq in accordance with section 1211 of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92) to Afghanistan and Syria.

Increase in size of the Special Defense Acquisition Fund (sec. 1202)

The committee recommends a provision that would increase the amounts available for the Special Defense Acquisition Fund. The provision would also require the Secretary of Defense, with the concurrence of the Secretary of State, to submit a plan for the use of such increased amounts as well as an annual spending plan and quarterly updates on certain transactions associated with the fund.

Codification of authority for support of special operations to combat terrorism (sec. 1203)

The committee recommends a provision that would establish a new section 127e in title 10, United States Code, to codify section 1208 of the Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005 (Public Law 108–375), as most recently amended by section 1274 of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92). The provision would increase the annual cap on the authority from $85.0 million to $100.0 million and would limit the amount available to support any particular military operation under the authority to $10.0 million in a fiscal year as well as modify notification requirements.

Prohibition on use of funds to invite, assist, or otherwise assure the participation of Cuba in certain joint or multilateral exercises (sec. 1204)

The committee recommends a provision that would prohibit the Secretary of Defense from using any funds to invite, assist, or otherwise assure the participation of the Government of Cuba in any joint or multilateral exercise or related security conference between the United States and Cuba until the Secretary, in coordination

with the Director of National Intelligence, submits to Congress certain assurances. The provision would provide an exception to the prohibition for any joint or multilateral exercise or operation related to humanitarian assistance or disaster response.

Subtitle B—Matters Relating to Afghanistan and Pakistan

Extension and modification of authority to transfer defense articles and provide defense services to the military and security forces of Afghanistan (sec. 1211)

The committee recommends a provision that would extend through December 31, 2017, the authority under section 1222 of the National Defense Authorization Act for Fiscal Year 2013 (Public Law 112–239) to transfer defense articles being drawn down in Afghanistan, and to provide defense services in connection with such transfers, to the military and security forces of Afghanistan. The provision would also extend through fiscal year 2017 the exemption for excess defense articles (EDA) transferred from Department of Defense stocks in Afghanistan from counting toward the annual limitation on the aggregate value of EDA transferred under section 516 of the Foreign Assistance Act of 1961 (Public Law 87–195). The provision would also convert certain quarterly reports into an annual report.

Modification of authority for reimbursement of certain coalition nations for support (sec. 1212)

The committee recommends a provision that would modify and extend for 1 year section 1233 of the National Defense Authorization Act for Fiscal Year 2008 (Public Law 110–181), as most recently amended by section 1212 of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92).

Prohibition on use of funds for certain programs and projects of the Department of Defense in Afghanistan that cannot be safely accessed by United States Government Personnel (sec. 1213)

The committee recommends a provision that would prohibit the obligation or expenditure of amounts available to the Department of Defense for a construction or other infrastructure project in Afghanistan that is initiated on or after the date of the enactment of this Act if military or civilian personnel of the United States Government or their representatives with authority to conduct oversight cannot safely access it. The provision also provides for certain waivers.

Reimbursement of Pakistan for security enhancement activities (sec. 1214)

The committee notes that Pakistan has been a long-standing strategic partner of the United States and believes that the bilateral relationship between the United States and Pakistan will continue to be strong and enduring. The committee also recognizes that since the terrorist attacks of September 11, 2001, Pakistan has been a vital partner in U.S. efforts to combat terrorism in South Asia. The committee believes that stability in the region can-

not be achieved without stability in Pakistan itself and that fostering a strong, stable, and secure Pakistan is consistent with the national security goals of the United States.

The committee recognizes that some have criticized security assistance for Pakistan in recent years. However, the committee believes that security and stability within the borders of Pakistan is vital to the stability of the region and to transregional efforts to combat terrorism more broadly. In this context, the committee notes with concern that terrorist attacks continue to plague Pakistan and strongly supports efforts by the Government of Pakistan to take steps to degrade and defeat terrorist networks and activities within its own borders. For these reasons, the committee believes that security assistance for Pakistan should continue.

To ensure sustainability and viability over the long-term, the committee also believes that security assistance for Pakistan should transition to a bilateral program focused on the stability and security of Pakistan, rather than the more narrow previous focus of Coalition Support Funds, which were based on the country's support for coalition operations in Afghanistan. The committee notes that the coalition presence and mission in Afghanistan continue to evolve, leading to the criticism referenced above. The committee is concerned that, if left unchanged, continued reliance on Coalition Support Funds for the provision of security assistance to Pakistan could negatively impact U.S. support of Pakistani operations to combat terrorism.

In recognition of the critical importance of the bilateral U.S.-Pakistan relationship and the need for enhanced security and stability in Pakistan, the committee recommends a provision that would provide the Secretary of Defense the authority to reimburse Pakistan up to $800.0 million in fiscal year 2017 for certain activities that enhance the security situation in the northwest regions of Pakistan and along the Afghanistan-Pakistan border. The provision would also make $300.0 million of this amount contingent upon a certification from the Secretary of Defense that Pakistan is taking demonstrable steps against the Haqqani Network in Pakistan.

Improvement of oversight of United States Government efforts in Afghanistan. (sec. 1215)

The committee recommends a provision that would require the Lead Inspector General for Operation Freedom's Sentinel, in coordination with certain other inspectors general, to submit a report on oversight activities in Afghanistan to optimize the utilization of oversight resources through planning, coordination, and reduction of redundancies in oversight activities.

Inspectors general play a crucial role in helping to ensure appropriate oversight and enhancing the efficiency of federal programs. Oversight is especially critical to help ensure appropriate use of federal resources in challenging environments, including Afghanistan. At the same time, the inspectors general operating in Afghanistan need to work together to ensure oversight occurs, but at minimal burden to U.S. force operations there. The committee is concerned that such coordination may not be occurring as effectively as possible.

In addition to the provision above, the committee directs the Comptroller General of the United States to review the authorities and activities of the statutory offices of inspectors general at the Department of State, the Department of Defense, the Agency for International Development, and the Special Inspector General for Afghanistan Reconstruction regarding their oversight of the expenditure of U.S. funds in Afghanistan since January 1, 2015. This review shall include, at a minimum, the following:

(1) A general description of the oversight activities and primary areas of focus of each inspector general;

(2) An analysis of the enabling legislation and directive guidance that outlines the oversight mandate of each inspector general;

(3) An identification of any overlap or gaps in oversight among the mandates of each inspector general, as prescribed by their enabling legislation or other directive guidance; and

(4) Any other matters deemed relevant by the Comptroller General.

Subtitle C—Matters Relating to Iraq and Syria

Extension and modification of authority to provide assistance to the vetted Syrian Opposition (sec. 1221)

The committee recommends a provision that would extend and modify the authority under section 1209 of the Carl Levin and Howard P. "Buck" McKeon National Defense Authorization Act for Fiscal Year 2015 (Public Law 113–291; 128 Stat. 3541) to assist the vetted elements of the Syrian opposition for certain purposes to December 31, 2019, as well as strike the prior approval reprogramming requirement and replace it with a notification requirement before carrying out new initiatives.

Extension of authority to provide assistance to counter the Islamic State of Iraq and the Levant (sec. 1222)

The committee recommends a provision that would extend the authority under section 1236 of the Carl Levin and Howard P. "Buck" McKeon National Defense Authorization Act for Fiscal Year 2015 (Public Law 113–291; 128 Stat. 3559) to military and other security forces of or associated with the Government of Iraq, including Kurdish and tribal security forces, with a national mission, to counter the Islamic State in Iraq and the Levant (ISIL)to December 31, 2019. The provision would also extend the requirement for an assessment and authority to assist directly certain covered groups as authorized under section 1223 of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92).

Extension of authority to support operations and activities of the Office of Security Cooperation in Iraq (sec. 1223)

The committee recommends a provision that would extend through fiscal year 2017 the authority under section 1215 of the National Defense Authorization Act for Fiscal Year 2012 (Public Law 112–81) as amended, for the Secretary of Defense to support the operations and activities of the Office of Security Cooperation in Iraq (OSC–I). The provision would authorize the use of up to

$60.0 million in fiscal year 2017 to support OSC–I operations and activities.

Subtitle D—Matters Relating to Iran

Additional elements in the annual report on the military power of Iran (sec. 1226)

The committee recommends a provision that would add certain additional elements to the annual report on the military power of Iran required under section 1245 of the National Defense Authorization Act for Fiscal Year 2010 (Public Law 111–84).

Subtitle E—Matters Relating to the Russian Federation

Extension and enhancement of Ukraine Security Assistance Initiative (sec. 1231)

The committee recommends a provision that would extend through fiscal year 2019 the authority under section 1250 of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92) for the Secretary of Defense, in coordination with the Secretary of State, to provide security assistance and intelligence support to military and other security forces of the Government of Ukraine. The provision would authorize the use of up to $500.0 million in fiscal year 2017 to provide security assistance to Ukraine.

The provision would prohibit the obligation or expenditure of half of the funds authorized to be appropriated in fiscal year 2017 under this authority until the Secretary of Defense, in coordination with the Secretary of State, certifies that Ukraine has taken substantial action to make defense institutional reforms and outlines areas where further work may remain. The committee is concerned that progress in the area of defense institutional reform has been slow and uneven and notes that such reforms are critical to sustaining capabilities developed using security assistance provided under this and other authorities.

The committee notes that the authority granted in this provision would not authorize the use of the United States Armed Forces on the ground in Ukraine for the purpose of conducting combat operations.

The committee remains deeply concerned by the continuing aggression of Russia and Russian-backed separatists that violate ceasefire agreements. The committee continues to emphasize the importance of providing security assistance and intelligence support, including lethal military assistance, to the Government of Ukraine to build its capacity to defend its territory and sovereignty and to support the integrity of the ceasefire agreement.

The committee notes the successful completion of training for the initial tranches of Ukrainian security forces using the authority under section 1207 of the National Defense Authorization Act for Fiscal Year 2012 (Public Law 112–81), as amended, for the Global Security Contingency Fund and supports the expansion of this program to additional units of the Ukrainian Ministry of Interior and Ministry of Defense. The provision would also add certain addi-

tional activities to the list of appropriate security assistance and intelligence support.

As the Department of Defense continues the provision of support to the Ukrainian people under the Ukraine Security Assistance Initiative, the committee notes the importance of a comprehensive approach, including consideration by the Secretary of Defense of the feasibility and advisability of utilizing U.S. private sector entities to augment government efforts to develop the capability and capacity of the Government of Ukraine and its security forces.

Extension and modification of authority on training for Eastern European national military forces in the course of multilateral exercises (sec. 1232)

The committee recommends a provision that would extend through fiscal year 2018 the authority under section 1251 of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92) for the Secretary of Defense, with the concurrence of the Secretary of State, to provide multilateral or regional training, and pay the incremental expenses of participating in such training, for countries in Eastern Europe that are a signatory to the Partnership for Peace Framework Documents but not a member of the North Atlantic Treaty Organization (NATO) or became a NATO member after January 1, 1999. The provision would also add the authority to utilize under this section amounts authorized to be appropriated for certain purposes under the European Reassurance Initiative. The committee notes the purpose of such training is to promote interoperability, improve the ability of participating countries to respond to external threats including from hybrid warfare, and increase the ability of NATO to take collective action when required.

Additional matters in annual report on military and security developments involving the Russian Federation (sec. 1233)

The committee recommends a provision that would add additional elements to the annual report on Russian military and security developments required under section 1245 of the Carl Levin and Howard P. "Buck" McKeon National Defense Authorization Act for Fiscal Year 2015 (Public Law 113–291). The additional elements include an assessment of Russian operations in Ukraine and an analysis of the nuclear strategy and associated doctrine of Russia.

European investment in security and stability (sec. 1234)

The committee recommends a provision that would express the sense of Congress that North Atlantic Treaty Organization (NATO) allies and European partners are indispensable to addressing global security challenges and that their investment in developing and employing robust security capabilities in Europe should meet or exceed U.S. efforts in this regard. The provision also requires an accounting of current and planned security investments by NATO allies and European partners.

The committee recognizes the 2016 NATO Summit being held in Warsaw, Poland as a meeting of important consequence and an in-

flection point for the future of the NATO Alliance. The committee notes the recent NATO proposal of four battalions, totaling 4000 troops, to be deployed in Eastern Europe, as well as the subsequent announcement by the Russian government that it will deploy three divisions of troops along its western border.

In light of this continued military buildup in Eastern Europe and Western Russia, the committee strongly encourages the Secretary of Defense to prioritize the enhancement of NATO forward presence capabilities among NATO allies and European partners both at the Warsaw Summit and in any future interactions with NATO allies and partners. This should include the identification of specific areas of defense investment and modernization that will assist NATO allies to rapidly develop the forward presence capabilities to deter threats to Eastern Europe and enhance long-term stability in that region.

The committee expects that progress on enhancing the forward presence capabilities of NATO allies be included in subsequent reports, testimonies, and briefings from the Department of Defense to the committee on the European Deterrence Initiative and any other programs or policies pertaining to European security.

Sense of Senate on the European Deterrence Initiative (sec. 1235)

The committee recommends a provision that would express the sense of the Senate that the European Deterrence Initiative will bolster efforts to deter further Russian aggression by providing resources to train and equip military forces of North Atlantic Treaty Organization (NATO) and non-NATO partners, enhance the capability to defend territorial integrity and preserve regional stability, and improve the agility and flexibility of military forces to address threats across the full spectrum of warfighting requirements and diverse geographic locations. The provision would also express the sense of the Senate that such efforts as the European Deterrence Initiative should be in the base budget of the Department of Defense to address long-term stability on the European continent, reassure our European allies and partners, and deter further Russian aggression.

Subtitle F—Matters Relating to the Asia-Pacific Region

Annual update on Department of Defense Freedom of Navigation Report (sec. 1241)

The committee recommends a provision that would require the Secretary of Defense to submit an annual report to the Committees on Armed Services of the Senate and the House of Representatives setting forth an update on the most current Freedom of Navigation Report. The report will document the types and locations of excessive claims that the United States armed forces have challenged in the previous calendar year, the geographic location of the claim, and the specific legal challenge asserted under the Freedom of Navigation program.

Inclusion of the Philippines among allied countries with whom United States may enter into cooperative military airlift agreements (sec. 1242)

The committee recommends a provision that would include the Republic of the Philippines in the term "allied country" in section 2350(c) of title 10, United States Code, which authorizes the Department of Defense to enter into cooperative military airlift agreements.

Military exchanges between the United States and Taiwan (sec. 1243)

The committee recommends a provision that would direct the Secretary of Defense to carry out a program of exchanges of senior military officers and senior officials between the United States and the Government of Taiwan designed to improve military-to-military relations. These exchanges will be conducted in both the United States and Taiwan and will focus on threat analysis, military doctrine, force-planning, logistical support, intelligence collection and analysis, operational tactics, techniques, and procedures, and humanitarian assistance and disaster relief.

The provision also recommended a sense of the Senate that the Department of Defense should extend an invitation to Taiwan to participate in advanced aerial combat training exercises. The committee believes that the military forces of Taiwan, in accordance with the Taiwan Relations Act (Public Law 96–8), should be permitted to participate in bilateral training activities hosted by the United States that increase the credible deterrent capabilities of Taiwan. Specifically, the committee believes the Government of Taiwan would benefit if the Taiwan military were invited to attend advanced aerial combat training exercises alongside the United States Air Force upon the completion of the upgrades to their 45 F–16A/B fighter aircraft.

The committee believes that Taiwan must strive to invest at least 3 percent of its annual gross domestic product on defense. The committee is concerned that, absent a change in defense spending, Taiwan's military will continue to be under-resourced and unable to make the investments necessary to maintain a credible deterrent across the Taiwan Strait.

Sense of Senate on Taiwan (sec. 1244)

The committee recommends a provision that would express a sense of the Senate that the United States should strengthen and enhance its long-standing partnership and strategic cooperation with Taiwan, with the objective of reinforcing its commitment to the Taiwan Relations Act and the "Six Assurances." To do this, the United States should conduct regular transfers of defense articles and defense services, support the efforts of Taiwan to integrate innovative and asymmetric capabilities, including undersea warfare capabilities optimized for the defense of the Taiwan Strait, assist Taiwan in building an effective air defense capability consisting of a balance of fighters and mobile air defense systems, and permit Taiwan to participate in bilateral training activities hosted by the United States that increase the credible deterrent capabilities of Taiwan.

Sense of Senate on enhancement of the military relationship between the United States and Vietnam (sec. 1245)

The committee recommends a provision that would express the sense of the Senate that it would further the United States' national security interests if the prohibition on lethal military equipment to Vietnam were removed. The sales should be monitored to ensure that the Government of Vietnam is continuing to make progress on human rights and the arms sold are not being used in ways that violate the rights and freedoms of civilians in Vietnam.

The provision also encourages the United States to expand military-to-military relations with Vietnam, including increased participation in bilateral and multilateral naval exercises, more frequent naval port visits by the United States to Vietnam, increased International Military Education and Training (IMET) and Expanded–IMET (E–IMET) for military officers in Vietnam, the establishment of bilateral arrangements to support increased cooperation on humanitarian assistance, disaster relief, and joint personnel accounting cooperative activities, and seeking opportunities to promote military observation and participation by Vietnam in regional exercises such as the Rim of the Pacific (RIMPAC) exercise, the COBRA GOLD multinational exercises in Thailand, and the BALIKATAN exercise of the United States and the Philippines.

Redesignation of South China Sea Initiative (sec. 1246)

The committee recommends a provision that would amend section 1261 of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92) to redesignate the South China Sea Initiative as the Southeast Asia Maritime Security Initiative.

The committee strongly supports the Southeast Asia Maritime Security Initiative. The committee encourages the Department to continue a robust effort to build the maritime capabilities of Southeast Asian countries that are committed to an inclusive maritime order where all states have access to the open seas.

Subtitle G—Reform of Department of Defense Security Cooperation

Sense of Congress on security sector assistance (sec. 1251)

The committee recommends a provision that would express the Sense of the Congress on the security cooperation programs and activities of the Department of Defense, as well as the broader security sector assistance activities of the U.S. government.

The committee believes the United States' security sector assistance (SSA) programs and activities must be executed as a shared responsibility across all of the United States Government departments and agencies operating with a shared commitment to agility and effectiveness. The committee recognizes that the Department of State is the lead agency responsible for the policy, supervision, and general management of the United States' SSA programs and activities. The committee also believes that the Department of Defense (DOD) plays a critical role in SSA, particularly as it relates to its responsibility to ensure United States' SSA programs and activities are synchronized with the nation's defense strategy and policy, and in the areas of strategic planning, assessment, program de-

sign, implementation, and support to the interagency by providing critical enabling capabilities. The committee also believes it is critical that DOD utilize its SSA programs and activities to address gaps in contingency plans.

Enactment of new chapter for defense security cooperation (sec. 1252)

The committee recommends a provision that would create a new chapter in title 10, United States Code on security cooperation, and would transfer, modify, and codify security cooperation related provisions from elsewhere in title 10 and public law to this new chapter. Of note, the committee recommends a provision that would repeal numerous existing so-called "train and equip" authorities and would replace the repealed authorities with one provision that incorporates all of the Department's existing "train and equip" authorized activities, including those relating to: (1) counterterrorism; (2) counter-weapons of mass destruction; (3) counter-illicit drug trafficking; (4) counter-transnational organized crime (5) maritime and border security; (6) military intelligence operations in support of lawful military operations; (7) humanitarian and disaster assistance; (8) support to stability operations; and (9) national territorial defense. All of the activities under the committee's recommended proposal would continue to require: (1) the concurrence of the Secretary of State; (2) observance of and respect for the law of armed conflict; and (3) respect for civilian control of the military.

The committee notes that over the last 15 years, the Department's engagement with national security forces of friendly foreign countries has expanded substantially in response to changing strategic requirements. Correspondingly, the number and complexity of authorities and associated funding provided to the Department to conduct security cooperation programs has expanded significantly. A recent report by the RAND Corporation entitled "From Patchwork to Framework," stated: "The large set of authorities for security cooperation has become known as a "patchwork" because of the need to patch together multiple authorities and associated yet unsynchronized processes, resources, programs, and organizations to execute individual initiatives with partner nations." This is the result of security cooperation authorities being dispersed widely throughout title 10 and public law. This architecture has led to a confusing and unwieldy security cooperation enterprise that undermines the ability of the Department—particularly its senior civilian and military leaders—to effectively prioritize, plan, execute, allocate, and oversee these activities. Critically, it has also resulted in near constant change for the security cooperation professionals attempting to implement these security cooperation programs and activities. This undoubtedly has resulted in suboptimal outcomes and missed opportunities.

Further, the committee believes the complex patchwork of authorities and sources of funding hinders appropriate public transparency and complicates robust congressional oversight of a key mission for the Department.

As such, the committee believes that consolidating the various security cooperation authorities under a single security cooperation chapter will provide greater clarity about the nature of scope of the

Department's security cooperation programs and activities to those who plan, manage, implement, and conduct oversight of these programs.

Moreover, consolidation of a single "train and equip" authority will ensure that the Department has adequate flexibility to meet its evolving strategic objectives, without being forced to bend its strategy to meet the contours of available narrowly tailored authorities. Nevertheless, this consolidation is not intended to create a Department of Defense mission that competes with security assistance overseen by the State Department. Rather, a consolidated "train and equip" authority should enable the Department to meet its own defense-specific objectives in support of broader defense strategy and plans, as well as to better integrate title 10 security cooperation activities into the broader United States Government approach to security sector assistance.

The committee recommends a provision that would transfer to the new chapter 16 on security cooperation in title 10, United States Code, the authority for the Secretary of Defense to administer the Regional Centers for Security Studies. The provision would reduce the number of regional centers to 3, and would modify the authority to provide the Secretary with increased flexibility in assigning the areas of focus for the centers.

Military-to-military exchanges (sec. 1253)

The committee recommends a provision that would combine existing security cooperation authorities permitting the exchange of military and defense personnel with allies of the United States and other friendly foreign countries.

Consolidation and revision of authorities for payment of personnel expenses necessary for theater security cooperation (sec. 1254)

The committee recommends a provision that would consolidate and modify similar authorities permitting the payment of personnel expenses of allied or partner countries during theater security cooperation activities.

Transfer and revision of authority on payment of expenses in connection with training and exercises with friendly foreign forces (sec. 1255)

The committee recommends a provision that would combine and modify similar authorities for paying for the expenses of partner nations when conducting training for U.S. Armed Forces and for the expenses of developing countries when participating in exercises.

Transfer and revision of authority to provide operational support to forces of friendly foreign countries (sec. 1256)

The committee recommends a provision that would consolidate and modify section 127d of title 10, United States Code, and section 1234 of the National Defense Authorization Act for Fiscal Year 2008 (Public Law 110–181), as amended, relating to the provision of operational support to partners and allies in combined oper-

ations with U.S. Armed Forces or in military operations that support U.S. national security interests.

Department of Defense State Partnership Program (sec. 1257)

The committee recommends a provision that would codify and make permanent the Department of Defense State Partnership Program (section 1205 of the National Defense Authorization Act for Fiscal Year 2014 (Public Law 113–66), as amended by section 1203 of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92)).

Modification of regional defense combating terrorism fellowship program (sec. 1258)

The committee recommends a provision that would transfer to the new chapter 16 on security cooperation in title 10, United States Code, the regional combating terrorism fellowship program (section 2249c of title 10, United States Code) and modify the program to authorize the Secretary of Defense to carry out a program under which the Secretary may pay costs associated with the education and training of national-level security officials of friendly foreign nations. Such a modification would enable the Department to address diverse security challenges beyond the narrow mission of counterterrorism.

Consolidation of authorities for service academy international engagement (sec. 1259)

The committee recommends a provision that would amend Chapter 16 of title 10, United States Code, to consolidate international engagement authorities for the service academies of the Army, Navy, and Air Force.

The committee notes that under current law, there are nine separate authorities that determine the selection of, funding for, and conditions for international students attending the service academies of the Army, Navy, or Air Force. The committee believes consolidating these authorities would provide consistency by creating a single, common authority for use by the service academies to select international students and conduct exchange programs with foreign military academies.

Security Cooperation Enhancement Fund (sec. 1260)

The committee recommends a provision that would create a central fund for the security cooperation programs and activities of the Department of Defense, known as the Security Cooperation Enhancement Fund (SCEF).

Like many observers, the committee has found it increasing difficult to oversee, monitor, and evaluate the array of military service and defense-wide funding sources for the Department's security cooperation programs and activities. The committee believes that, without any changes to this arrangement, the long-term prospects of the Department's security cooperation programs and activities, particularly its "train and equip" activities, are not sustainable. The committee believes that consolidating funding for the Depart-

ment's security cooperation programs and activities will increase public transparency, flexibility, and congressional oversight.

Further, and of particular importance, the committee also believes that a central fund will allow the Department's senior civilian and military leaders to make strategic choices with respect to the allocation of security cooperation resources against strategic priorities. For too long, the Department's activities in this area have been too diffuse and have lacked strategic coordination—both regionally and functionally. The committee notes that there are currently few nations in which the Department does not actively conduct security cooperation; some estimates have suggested that the Department is engaged in over 180 countries globally. The committee expects the Department to leverage a newly established central fund to prioritize engagements according to strategic imperatives and clearly identified objectives.

Further, beginning in fiscal year 2018, the provision would require the Secretary to transfer all unobligated balances from the Afghanistan Security Forces Fund, the Iraq Train and Equip Fund, the Southeast Asia Maritime Security Initiative, and any account or fund of the Department of Defense for security cooperation programs and activities into the SCEF. In addition, beginning in fiscal year 2019, the provision would require the Secretary to transition the execution of all security programs and activities to the authorities contained in chapter 16 of title 10, United States Code.

Consolidation and standardization of reporting requirements relating to security cooperation authorities (sec. 1261)

The committee recommends a provision that would consolidate and standardize the Department's reporting on security cooperation authorities and programs in an annual report.

Critically, the committee notes that it has retained nearly all of the notification requirements with respect to the Department's security cooperation activities. Coupled with the requirement for an annual budget submission that appears elsewhere in this Act, this approach relieves the Department of an overly burdensome reporting regime while maintaining the transparency and accountability required for appropriate oversight and real-time monitoring of the Department's most significant new programs.

Requirement for submittal of consolidated annual budget for security cooperation programs and activities of the Department of Defense (sec. 1262)

The committee recommends a provision that would require the budget of the President for each fiscal year after fiscal year 2018, as submitted to Congress by the President pursuant to section 1105 of title 31, United States Code, to include as a separate item the amounts requested for the Department of Defense (including those funds in the budgets of the military departments) for such fiscal year for all security cooperation programs and activities of the Department, including the specific amounts, if any, and the specific country or region, to the maximum extent practicable, for such programs and activities for the Security Cooperation Enhancement Fund, which is authorized elsewhere in this Act.

Similar to the committee's recommended provisions with respect to a consolidated "train and equip" authority and transfer fund, the committee's recommended action is intended to enhance the ability of the congressional defense committees to conduct rigorous oversight of the Department's security cooperation programs and activities, as well as better understand how the Department is utilizing security cooperation programs and activities to fill gaps in its contingency plans; enable foreign partners against a common threat or enemy; and align funding with the department's strategic objectives. This approach in intended to better enable public transparency.

Department of Defense security cooperation workforce development (sec. 1263)

The committee recommends a provision that would direct the Secretary of Defense to create a Department of Defense security cooperation workforce program ("Program") to oversee the development and management of a professional workforce supporting security cooperation programs of the Department of Defense as well as the execution of security assistance programs and activities under the Foreign Assistance Act and the Arms Control Act by the Department of Defense.

The committee is concerned that, as the Department has increased its emphasis on security cooperation programs and activities in furtherance of its strategic objectives, the Department has not devoted sufficient attention and resources to the development, management, and sustainment of the Department's security cooperation workforce. Building security capabilities of a partner nation through security cooperation requires a specialized set of skills and the current system neither develops those skills among its workforce nor rationally assigns its workforce to match appropriate skills with requirements. The committee believes increased attention and resourcing must be focused on the recruitment, training, certification, assignment, and career development of the security cooperation workforce in order to ensure the effective planning, monitoring, execution, and evaluation of security cooperation programs and activities.

Coordination between the Department of Defense and Department of State on certain security cooperation and security assistance programs and activities (sec. 1264)

The committee recommends a provision that would require the Secretary of Defense and the Secretary of State not later than 90 days after enactment of this Act to establish interim regulations and, not later than 270 days after enactment of this Act, final regulations to establish a formal process for the two Departments on all matters relating to the policy, planning, and implementation of security cooperation programs and activities as specified in the Act.

The committee believes it is critical to ensure unity of effort across the security sector assistance enterprise with U.S. national security and foreign policy objectives. Further, the committee believes joint planning early in the process will ensure efficiency and effective balance with regard to our broader interests.

Repeal of superseded, obsolete, or duplicative statutes relating to security cooperation authorities (sec. 1265)

The committee recommends a provision that would repeal superseded, obsolete, or duplicate statutes relating to security cooperation as part of its efforts to streamline and rationalize the authorities of the Department to conduct security cooperation.

Subtitle H—Miscellaneous Reports and Other Matters

Free trade agreements with Sub-Saharan African countries (sec. 1271)

The committee recommends a provision that would amend section 116 of the African Growth and Opportunity Act (19 U.S.C. 3723).

Extension and expansion of authority to support border security operations of certain foreign countries (sec. 1272)

The committee recommends a provision that would extend through 2019 and expand the authority under section 1226 of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92; 129 Stat. 1056; 22 U.S.C. 2551 note) to provide assistance to the Governments of Tunisia and Egypt to support efforts to enhance security along borders with Libya.

Modification and clarification of United States-Israel anti-tunnel cooperation authority (sec. 1273)

The committee recommends a provision that would increase the annual limitation of the authority under section 1279 of the National Defense Authorization Act for Fiscal Year 2016 (P.L. 114–92) for the Secretary of Defense, in consultation with the Secretary of State, to carry out research, development, test, and evaluation, on a joint basis with Israel to establish anti-tunnel defense capabilities to detect, map, and neutralize underground tunnels. The provision would clarify certain requirements associated with the authority.

The committee continues to support the anti-tunnel cooperation program with Israel and notes the potential benefits to support efforts to: restrict the flow of drugs including heroin and fentanyl, under our southern border; protect forward deployed troops; and secure Israel's borders. The committee notes that in testimony to the committee on March 10, 2016, Admiral Gortney, the Commander of United States Northern Command, highlighted and endorsed the benefits of anti-tunnel cooperation with Israel to the United States. The committee encourages the department to fully utilize the authorities provided in section 1279 and seek opportunities to maximize anti-tunnel research, development, test, and evaluation cooperation with Israel.

The committee expects the department to include in the semi-annual report required under subsection (d) a list of the technologies being supported and to keep the committee informed regarding the potential and actual applications of such technologies.

Modification and extension of authorization for non-conventional assisted recovery capabilities (sec. 1274)

The committee recommends a provision that would extend the authority of the Department of Defense to establish, develop, and maintain non-conventional assisted recovery (NAR) capabilities for three additional years and modify the eligibility of personnel for whom such support may be provided.

The committee directs the Department to ensure that the planning, initiation, sustainment, and utilization of NAR capabilities are fully coordinated and de-conflicted with other U.S. departments and agencies who may also play a role in the recovery of designated individuals overseas. The committee also notes that non-conventional assisted recovery is a traditional military activity and the authority modified and extended by this provision should not be construed as an authorization to conduct intelligence activities.

Assessment of proliferation of certain remotely piloted aircraft systems (sec. 1275)

The committee recommends a provision that would require an independent assessment directed by the Chairman of the Joint Chiefs of Staff to report on the impact to United States national security interests of the proliferation of remotely piloted aircraft. The assessment would include an analysis of the threat posed to the United States as a result of the proliferation of such aircraft to adversaries as well as the impact of such proliferation on the combat capabilities of and interoperability with partners and allies of the United States as well as the potential benefits and risks of continuing to limit exports of such aircraft.

The committee notes that the proliferation of remotely piloted aircraft has significantly changed the context of the international security environment since the origination of the Missile Technology Control Regime that proscribes a "strong presumption of denial" for the export of such aircraft.

Efforts to end modern slavery (sec. 1276)

The committee recommends a provision that would require the Secretary of Defense to implement policies and procedures to ensure Armed Forces personnel engaged in partnership activities with foreign nations receive education and training on human slavery, and to ensure the United States Armed Forces maximize efforts to appropriately assist in combatting trafficking in persons. The provision also authorizes grants to support transformational programs and projects that seek to achieve a measurable and substantial reduction of the prevalence of modern slavery in target populations within partner countries.

Items of Special Interest

Asia-Pacific force posture resiliency

The committee is supportive of the Department of Defense's effort to realize a U.S. force posture in the Asia-Pacific region that is more geographically distributed, operationally resilient, and politically sustainable. The committee believes this sustained effort is a necessary response to adjust the legacy posture of U.S. forces in

the region to meet the demands of a shifting political and security environment.

The committee also values the strong alliances and partnerships the United States maintains in the region that enable and support a sustained U.S. forward-presence. The committee acknowledges the immense benefits that a forward-deployed military has provided the United States since the end of the Second World War, including the direct contribution to a more stable global economic and security environment, the ability to respond quickly to threats in different regions, and the ability to respond to humanitarian disasters.

In particular, the committee supports the U.S.-Australia Force Posture Agreement that is establishing a rotational presence of United States Marines and Air Force assets in Northern Australia. The committee is hopeful the United States and Australia will promptly conclude ongoing cost-sharing agreements related to these initiatives and move to develop new opportunities for future access, including the potential rotation of U.S. Navy vessels.

The committee was also encouraged by the recent Republic of the Philippines Supreme Court decision to approve the 2014 Enhanced Defense Cooperation Agreement (EDCA). This agreement will deepen the U.S.-Philippines alliance, expand engagement with the Armed Forces of the Philippines, and further enhance our presence in Southeast Asia. Further, the committee welcomes the annex of five agreed locations in the Philippines where United States forces can conduct a variety of activities.

In Japan and the Republic of Korea, the committee continues to support the realignment of U.S. forces, including construction at Camp Humphreys, the Futenma Replacement Facility at Camp Schwab, and Marine Corps Air Station Iwakuni. The committee also appreciated the significant financial contributions the Government of Japan and the Republic of Korea are making for the construction of these facilities.

The committee recognizes the importance of other presence and force posture initiatives being implemented or developed with Singapore, Malaysia, and Vietnam.

Finally, the committee finds merit in many of the posture recommendations made in the Center for Strategic and International Studies' (CSIS) report, "Asia-Pacific Rebalance 2025," that was completed as a response to section 1059 of the National Defense Authorization Act for Fiscal Year 2015 (Public Law 113–291). In particular, the committees believes it is appropriate to further consider the recommendations of deploying additional surface combatants to the theater, moving additional attack submarines to Guam, further diversifying operating locations, enhancing theater missile defenses to protect critical assets, stockpiling critical munitions and investing in munitions-related infrastructure, enhancing intelligence, surveillance, and reconnaissance capabilities and cooperation with allies and partners in the region, and addressing the challenges associated with conducting logistics operations in a denied environment.

People's Liberation Army Navy (PLAN) participation in Rim of the Pacific exercise

The committee is concerned by China's ongoing reclamation and militarization of the South China Sea. Despite President Xi Jinping's assurances in September 2015 that "China does not intend to pursue militarization" of the South China Sea, the committee is aware that China is now constructing runways, radar facilities, hangars, and other infrastructure that will enable the sustainment of military capabilities in the Spratly Islands. The committee notes the assessment of Director of National Intelligence James Clapper that "China will continue to pursue construction and infrastructure development at its expanded outposts in the South China Sea. Based on the pace and scope of construction at these outposts, China will be able to deploy a range of offensive and defensive military capabilities and support increased People's Liberation Army Navy (PLAN) and Chinese Coast Guard (CCG) presence beginning in 2016."

The committee notes that the United States invited China to participate in the 2014 Rim of the Pacific exercise (RIMPAC). The committee is aware that China sent four surface vessels to join the official exercise, in addition to a Dongdiao-class Auxiliary General Intelligence (AGI) surveillance ship. The committee recognizes that the inclusion of this vessel at an exercise designed to build trust and cooperation between global navies undermined the spirit of the exercise. The committee acknowledges the Department of Defense's desire to build cooperative relationships through participation in bilateral and multilateral maritime exercises and the potential benefits to regional security gained through military engagements. However, the committee believes that military engagements such as RIMPAC should be routinely evaluated to identify the value of each individual exercise to U.S. national interests.

Therefore, the committee directs the Secretary of Defense to provide a briefing to the Senate Armed Services Committee, which may include a classified portion, not later than July 1, 2016, regarding the merits of continued Chinese participation in RIMPAC 2016, the intended scope of PLA participation in RIMPAC 2016, and the compliance of PLAN participation in RIMPAC 2016 with the 12 operational areas that were prohibited for military-to-military contact between the Department of Defense and PLA consistent with Section 1201(a) of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65).

TITLE XIII—COOPERATIVE THREAT REDUCTION

Specification of Cooperative Threat Reduction funds (sec. 1301)

The committee recommends a provision that would define the Cooperative Threat Reduction (CTR) program, define the funds as authorized to be appropriated in section 301 of this Act and authorize CTR funds to be available for obligation for 3 fiscal years.

Funding allocations (sec. 1302)

The committee recommends a provision that would authorize $325.6 million, the amount of the budget request, for the Cooperative Threat Reduction program.

Items of Special Interest

Long term threat outlook for the Cooperative Threat Reduction program

The Cooperative Threat Reduction program's mission is to reduce the threat of weapons of mass destruction (WMD) well before it has reached a weaponization stage or in certain urgent cases where existing stockpile must be destroyed. Within the last 5 years, the program has been credited with destroying large quantities of mustard agent in Libya, the Syrian stockpile of nerve and mustard agent and recently placing rapid diagnostic laboratories in Liberia during the Ebola outbreak. Key to the program's success is identifying future threats of emergent areas where weapons of mass destruction might be developed or used. Given the rapidly evolving nature of WMD threat, the committee directs the Secretary of Defense, in consultation with the Director of National Intelligence, to produce not later than March 31 2017, a 5-year, 10-year, and long term (15–20 years) threat projection for WMD use. While the out years of such a projection will have large variables, it typically serves to guide the near term of the first 5–10 years which are the planning years for this program.

TITLE XIV—OTHER AUTHORIZATIONS

Subtitle A—Military Programs

Working capital funds (sec. 1401)

The committee recommends a provision that would authorize the appropriations for the defense working capital funds at the levels identified in section 4501 of division D of this Act.

Chemical Agents and Munitions Destruction, Defense (sec. 1402)

The committee recommends a provision that would authorize the appropriations for Chemical Agents and Munitions Destruction, Defense, at levels identified in section 4501 of division D of this Act.

Drug Interdiction and Counter-Drug Activities, Defense-Wide (sec. 1403)

The committee recommends a provision that would authorize the appropriations for Drug Interdiction and Counterdrug Activities, Defense-wide, at the levels identified in section 4501 of division D of this Act.

Defense Inspector General (sec. 1404)

The committee recommends a provision that would authorize the appropriations for the Office of the Inspector General of the Department of Defense at the levels identified in section 4501 of division D of this Act.

Defense Health Program (sec. 1405)

The committee recommends a provision that would authorize appropriations for the Defense Health Program activities at the levels identified in section 4501 of division D of this Act.

Security Cooperation Enhancement Fund (sec. 1406)

The committee recommends a provision that would authorize appropriations for the Security Cooperation Enhancement Fund activities at the levels identified in section 4501 of division D of this Act.

Subtitle B—National Defense Stockpile

National Defense Stockpile matters (sec. 1411)

The committee recommends a provision, as requested by the Department of Defense (DOD), that would amend the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98c) to provide greater flexibility in the management of the National Defense Stockpile

(NDS). Specifically, the provision would provide NDS the authority to recover, acquire, recycle, and manage the disposal of excess and recyclable strategic and critical materials containing rare earth elements (REE) from other federal agencies, including DOD. For example, NDS has identified germanium on its list of materials shortfalls since 2011. The Army typically generates at least 500 kilograms of excess germanium a year in components such as windshields. This provision would enable the NDS to collaborate on a REE recycle program with the Army to recover and transfer this germanium to the NDS.

The provision would also amend the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98c) to enable the NDS Manager to fund the qualification of domestically-produced strategic materials and REE, which would provide significant cost savings to DOD compared to traditional and overseas stockpiling of REE, along with an enhanced domestic strategic stockpiling capability for REE. For example, aerospace grade rayon is a synthetic fiber used in applications such as solid rocket motor nozzles and heat shields, and currently the U.S. relies solely upon foreign sources for such rayon. However, a domestically-produced alternative to rayon fiber exists and under this provision could be used in place of aerospace grade rayon to meet DOD specifications and requirements, saving $7.2 million in just one year. The committee strongly believes that enabling the NDS to qualify domestic materials and create substitutions could provide a significant risk mitigation for DOD's supply chain and reduce the reliance upon foreign-sourced REE, along with cost-effective domestic and strategic alternatives.

The committee strongly encourages DOD to use its authority to recycle their unclassified electronic waste, fluorescent lamps, batteries, magnets, and thermal barrier coatings in order to extract, reclaim, and reuse critical materials and REE to address DOD requirements. Lastly, the committee strongly encourages DOD to determine and appropriately invest in optimal methods and emerging products for destroying electronic media in a manner that minimizes risk of exposure, leaks, or improper use of information residing within the electronic media, and exposes data.

Authority to dispose of certain materials from and to acquire additional materials for the National Defense Stockpile (sec. 1412)

The committee recommends a provision, as requested by the Department of Defense (DOD), that would require the National Defense Stockpile (NDS) Manager to dispose of excess materials in order to acquire seven new materials and rare earth elements (REE) that have been identified by DOD as essential to meet military requirements. The committee notes these REE acquisitions would alleviate DOD supply chain vulnerability and mitigate the risk of foreign reliance for REE and critical materials. Specifically, the seven materials and REE are: high modulus and high strength carbon fibers, tantalum, germanium, tungsten rhenium metal, boron carbide powder, europium, and silicon carbide fiber. Additionally, the committee recognizes the strategic value of the NDS and its critical material locations across the United States: Arizona, Oklahoma, Alabama, Virginia, West Virginia, New York, In-

diana, Ohio, Utah, Nevada, California, New Jersey, and Pennsylvania.

Lastly, the committee remains very concerned that despite DOD identifying dysprosium metal as an REE shortfall and in a category at a higher risk for a supply disruption since at least 2011—and despite the NDS having the authority to acquire dysprosium metal since the FY14 NDAA—the NDS has failed to acquire any dysprosium metal and has no planned acquisitions for fiscal year 2017 and 2018. Similarly, the committee remains very concerned that the NDS has no planned acquisitions for yttrium oxide in fiscal years 2017 and 2018.

Accordingly, the committee strongly urges the NDS to acquire the appropriate amount of dysprosium metal in fiscal year 2017 and beyond that is necessary to address critical and strategic requirements.

Subtitle C—Chemical Demilitarization Matters

Authority to destroy certain specified World War II-era United States-origin chemical munitions located on San Jose Island, Republic of Panama (sec. 1421)

The committee recommends a provision that would authorize the Secretary of Defense to destroy eight chemical munitions on San Jose Island, Panama. The use of these funds shall not take effect until there is an agreement between the United States and Panama that such munitions are termed "old chemical weapons" and not "abandoned chemical weapons" and that the United States is under no legal obligation to destroy any additional chemical munitions, munitions constituents, and associated debris that may be located on San Jose Island as a result of research, development, and testing activities conducted on San Jose Island during the period of 1943 through 1947.

Subtitle D—Other Matters

Authority for transfer of funds to Joint Department of Defense-Department of Veterans Affairs Medical Facility Demonstration Fund for Captain James A. Lovell Health Care Center, Illinois (sec. 1431)

The committee recommends a provision that would authorize the Secretary of Defense to transfer $122.4 million from the Defense Health Program to the Joint Department of Defense-Department of Veterans Affairs Medical Facility Demonstration Fund created by section 1704 of the National Defense Authorization Act for Fiscal Year 2010 (Public Law 111–84) for the operations of the Captain James A. Lovell Federal Health Care Center.

Authorization of appropriations for Armed Forces Retirement Home (sec. 1432)

The committee recommends a provision that would authorize an appropriation of $64.3 million for fiscal year 2017 for the operation of the Armed Forces Retirement Home.

Budget Items

Defense Health Program

The budget request included $33.5 billion for Defense Health Program. The amount authorized to be funded for the Defense Health Program includes the following changes from the budget request.

[Changes in millions of dollars]

Reduction for unauthorized fertility treatment benefits	−38.0
Pilot program on health insurance for reserve component members	+20.0
Incorporation of value-based health care into TRICARE program	+24.5
Reduction for unjustified travel expenses	−6.5
Reimbursement rate for Comprehensive Autism Care Demonstration	+40.0
Military health system reform	+400.0
Total	+440.0

The committee recommends a total increase in the Defense Health Program of $440.0 million. This amount includes reductions of $38.0 million to reflect costs avoided by the Department of Defense relative to its plan to conduct a pilot program to cryopreserve oocytes and sperm and $6.5 million for unjustified travel expenses for the Defense Health Agency. The committee recommends an increase of $44.5 million to conduct a pilot program on health insurance for reserve component members and to incorporate value-based health care into the TRICARE program. The committee also recommends an increase of $40.0 million to maintain reimbursement rates under the Comprehensive Autism Care Demonstration program at those rates established prior to April 1, 2016. Finally, the committee recommends an increase of $400.0 million for overall military health system reform.

Foreign currency fluctuation

The budget request included $33.5 billion for Defense Health Program.

The committee believes that when foreign currency fluctuation (FCF) rates are determined by the Department of Defense, the balance of the FCF funds should be considered, particularly if the balance is close to the cap of $970.0 million. The Government Accountability Office (GAO) has informed the committee that as of March 2016, the Department does not plan to transfer in any prior year unobligated balances to replenish the account for fiscal year 2016. GAO analysis projects that the Department will experience a net gain in fiscal year 2017 due to favorable foreign exchange rates.

Accordingly, the committee recommends a decrease of $6.5 million from Defense Health Program for FCF.

Security Cooperation Enhancement Fund

The budget request included $496.8 million in Operation and Maintenance, Defense-Wide (OMDW), for the Defense Security Cooperation Agency, of which $270.2 million is for the Global Train and Equip Program, $58.6 million for the Regional Centers, $21.8 million is for the Wales Initiative Fund/Partnership for Peace, $26.8 million for the Combatting Terrorism Fellowship Program,

$25.6 million for the Defense Institution Reform Initiative, $9.2 million for the Ministry of Defense Advisors program, $2.6 million for the Defense Institute of International Legal Studies, and $730.1 million in Title XIV for Drug Interdiction and Counter-Drug Activities, Line 010. The committee notes that elsewhere in this Act, the committee recommends a provision that would create a new budget line entitled the Security Cooperation Enhancement Fund (SCEF). Commensurate with that provision, the committee recommends a transfer of $414.8 million from the Defense Security Cooperation Agency, and a transfer of $258.3 million from Drug Interdiction and Counter-drug Activities to the SCEF.

Department of Defense Inspector General Financial Statement Audit Support

The budget request included $32.5 billion in Operation and Maintenance, Defense-Wide (OMDW), of which $322.0 million was for SAG 4GTV Office of Inspector General.

The committee notes that within this request was $7.3 million to hire an additional 50 civilian personnel to conduct financial statement audits. The committee further notes the clear requirement in section 1005 of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92) for the Department of Defense to utilize independent external auditors, not additional Department of Defense Inspector General auditors, for financial statement audits of defense agencies.

Accordingly, the committee recommends a reduction of $7.3 million for SAG 4GTV Office of Inspector General in OMDW.

Items of Special Interest

Rare earth elements critical to national security

The committee notes that the Government Accountability Office (GAO) found that the Department of Defense (DOD) has identified certain materials and rare earth elements (REE) as critical, but that DOD's approach was not comprehensive. Specifically, the GAO found that three DOD organizations separately identified five different lists of REE during 2011 to 2015 using their own definitions. The committee notes that weapon system officials at the military departments told GAO that they had identified what they considered as critical REE in their systems, but that this information is not reported consistently or DOD-wide. GAO found that these officials did not have a definition for critical materials nor do they have an agreed upon DOD-wide list of critical REE. Additionally, GAO found that Manufacturing and Industrial Base Policy (MIBP) within the Office of the Under Secretary of Defense for Acquisition, Technology and Logistics identified heavy REE as at risk for a supply disruption, but has a strategy that is reactive, waiting for a supply disruption to occur and relying on the market to respond. GAO also found that MIBP has not defined the metrics for evaluating the extent of risk and the effectiveness of its strategy, making it difficult to monitor and adjust its mitigating actions.

Accordingly, the committee directs the Secretary of Defense to report to the congressional defense committees no later than February 1, 2017 with a comprehensive assessment that: (1) des-

ignates which, if any, REE are critical to national security in order to provide a common DOD-wide understanding of those materials and focus resources; (2) analyzes the effect of unavailability of REE designated as critical to national security and develop a strategy to help ensure a secure supply for those designated critical; and (3) defines reliable and secure sources of supply for REE in measurable terms and provide metrics to determine the effectiveness of its actions to better ensure continued availability.

TITLE XV—AUTHORIZATION OF ADDITIONAL APPROPRIATIONS FOR OVERSEAS CONTINGENCY OPERATIONS

Subtitle A—Authorization of Additional Appropriations

Purpose (sec. 1501)

The committee recommends a provision that would establish this title and make authorization of appropriations available upon enactment of this Act for the Department of Defense, in addition to amounts otherwise authorized in this Act.

Overseas contingency operations (sec. 1502)

The committee recommends a provision that would designate authorization of appropriations in this section as overseas contingency operations.

Procurement (sec. 1503)

The committee recommends a provision that would authorize the additional appropriation for procurement activities at the levels identified in section 4102 of division D of this Act.

Research, development, test, and evaluation (sec. 1504)

The committee recommends a provision that would authorize the additional appropriation for research, development, test, and evaluation activities at the levels identified in section 4202 of division D of this Act.

Operation and maintenance (sec. 1505)

The committee recommends a provision that would authorize the additional appropriations for operation and maintenance activities at the levels identified in section 4302 of division D of this Act.

Military personnel (sec. 1506)

The committee recommends a provision that would authorize the additional appropriations for military personnel activities at the levels identified in section 4402 of division D of this Act.

Working capital funds (sec. 1507)

The committee recommends a provision that would authorize the additional appropriations for the Defense Working Capital Funds at the levels identified in section 4502 of division D of this Act.

Drug Interdiction and Counter-Drug Activities, Defense-Wide (sec. 1508)

The committee recommends a provision that would authorize the additional appropriations for the Drug Interdiction and Counter-

Drug Activities, Defense-Wide at the levels identified in section 4502 of division D of this Act.

Defense Inspector General (sec. 1509)

The committee recommends a provision that would authorize the additional appropriations for the Office of the Inspector General of the Department of Defense identified in section 4502 of division D of this Act.

Defense Health Program (sec. 1510)

The committee recommends a provision that would authorize the additional appropriations for the Defense Health Program activities identified in section 4502 of division D of this Act.

Security Cooperation Enhancement Fund (sec. 1511)

The committee recommends a provision that would authorize the additional appropriations for the Security Cooperation Enhancement Fund at the levels identified in section 4502 of division D of this Act.

Subtitle B—Financial Matters

Treatment as additional authorizations (sec. 1521)

The committee recommends a provision that would state that the amounts authorized to be appropriated in this title are in addition to amounts otherwise authorized to be appropriated by this Act.

Special transfer authority (sec. 1522)

The committee recommends a provision that would allow the Secretary of Defense to transfer up to $3.5 billion of overseas contingency operation funding authorized for fiscal year 2017 in this title to unforeseen higher priority needs in accordance with normal reprogramming procedures. This transfer authority would be in addition to the authority provided to the Secretary elsewhere in this Act.

Subtitle C—Limitations, Reports, and Other Matters

Joint Improvised Explosive Device Defeat Fund (sec. 1531)

The committee recommends a provision that would authorize the Joint Improvised Explosive Device Defeat Fund and would thereby provide the Secretary of Defense with the authority to investigate, develop and provide equipment, supplies, services, training, facilities, personnel, and funds to assist in the defeat of improvised explosive devices for operations in Afghanistan, Iraq, Syria, and other operations or military missions designated by the Secretary.

Extension and modification of authorities on Counterterrorism Partnerships Fund (sec. 1532)

The committee recommends a provision that would modify and extend for 1 fiscal year section 1534 of the National Defense Authorization Act for Fiscal Year 2015 (Public Law 113–291).

Afghanistan Security Forces Fund (sec. 1533)

The committee recommends a provision that would require that amounts authorized for the Afghanistan Security Forces Fund (ASFF) for fiscal year 2017 continue to be subject to the conditions specified in subsections (b) through (g) of section 1513 of the Carl Levin and Howard P. "Buck" McKeon National Defense Authorization Act for Fiscal Year 2008 (Public Law 110–181), as amended.

Furthermore, the provision would extend the authority under subsection 1532(b) of the National Defense Authorization Act for Fiscal Year 2015 (Public Law 113–291) to accept certain equipment procured using ASFF funds and to treat such equipment as Department of Defense stocks. Lastly, the provision would continue the goal of using $25.0 million to support, to the extent practicable, the efforts of the Government of Afghanistan to recruit, train and integrate women into the Afghan National Security Forces and the requirement for a report on the plan to promote the security of Afghan women as required by section 1531 of the National Defense Authorization Act of 2016 (Public Law 114–92) as well as adding the requirement for a plan to address the development of accountability mechanisms for Afghan National Security Forces who violate codes of conduct relating to protecting children from sexual abuse.

Budget Items

Spider network munitions reduction

The Overseas Contingency Operation (OCO) budget request included $301.5 million for Procurement of Ammunition, Army (PAA) of which $10.4 million was for LIN 9680E95900 Spider Network Munitions.

The committee understands that the entirety of the OCO Spider Network Munitions request is ahead of need.

Accordingly, the committee recommends a decrease to PAA OCO of $10.4 million for LIN 9680E95900 Spider Network Munitions.

Coalition Support Funds

The budget request included $1.4 billion in Operation and Maintenance, Defense-Wide (OMDW), for the Defense Security Cooperation Agency, SAG 4GTD, of which $1.1 billion is for Coalition Support Funds (CSF). The committee recommends a reduction of $100.0 million from CSF for reimbursements to Pakistan for support of U.S. military operations in Afghanistan in recognition of the evolving nature of the mission there. The committee notes that a separate authority for reimbursements to Pakistan for security activities is created elsewhere in this Act to more directly address the importance of Pakistan to U.S. and regional security interests. Additionally the committee recommends a transfer of $820.0 million from CSF to the Security Cooperation Enhancement Fund in Title 15 of this Act and $180.0 million to the Counter Islamic State in Iraq and the Levant Fund in Title 15 of this Act.

Counterterrorism Partnerships Fund

The budget request included $1.0 billion in Overseas Contingency Operations funding for the Counterterrorism Partnerships

Fund (CTPF), Line 090. The committee recommends a reduction of $150.0 million to the CTPF due to insufficient justification. The committee recommends a transfer of $200.0 million from the CTPF to the Counter Islamic State in Iraq and the Levant Fund in title 15 of this Act and recommends a transfer of $650.0 million from the CTPF to the Security Cooperation Enhancement Fund in title 15 of this Act.

Counter Islamic State in Iraq and the Levant Fund

The budget request included $630.0 million in the Iraq Train and Equip Fund. The committee recommends a transfer of $630.0 million to the Iraq Train and Equip Fund commensurate with a decrease of $250.0 million to the Syria Train and Equip Fund, a decrease of $200.0 million to the Counterterrorism Partnerships Fund (SAG 090), and a decrease of $180 million to coalition support (SAG 4GTD).

The Iraq Train and Equip Fund account may be used for activities authorized under section 1209 of the Carl Levin and Howard P. "Buck" McKeon National Defense Authorization Act for Fiscal Year 2015 (Public Law 113–291), section 1236 of the Carl Levin and Howard P. "Buck" McKeon National Defense Authorization Act for Fiscal Year 2015 (Public Law 113–291), and section 1226 of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92).

The committee recommends the name of the "Iraq Train and Equip Fund" be changed to the "Counter Islamic State in Iraq and the Levant Fund" to reflect the associated authorized activities and the consolidation of funds.

Office of Security Cooperation-Iraq

The overseas contingency operations (OCO) budget request included $9.5 billion for Operation and Maintenance, Air Force (OMAF), of which $141.9 million was for SAG 042G Other Servicewide Activities.

The committee understands that this request included $85.1 million to support operations and activities of the Office of Security Cooperation in Iraq. The committee believes this request is unjustified.

Accordingly, the committee recommends a decrease in OCO OMAF of $25.1 million for SAG 042G Other Servicewide Activities.

Syria Train and Equip Fund

The budget request included $250.0 million in the Syria Train and Equip Fund. The committee recommends a decrease of $250.0 million in the Syria Train and Equip Fund and a commensurate increase of $250.0 million to the Iraq Train and Equip Fund which the committee recommends renaming the "Counter Islamic State in Iraq and the Levant Fund" to reflect the associated authorized activities and the consolidation of funds.

Nuclear force readiness in Europe

The budget request included $9.5 billion for Operation and Maintenance, Air Force (OMAF) for Overseas Contingency Operation, of which $1.3 billion was for SAG 011A Primary Combat Forces.

According to the 2014 Quadrennial Defense Review (QDR), "U.S. nuclear forces contribute to deterring aggression against U.S. and allied interests in multiple regions, assuring U.S. allies that our extended deterrence guarantees are credible, and demonstrating that we can defeat or counter aggression if deterrence fails." Alluding to Russia's "escalate to de-escalate" nuclear doctrine, the QDR states that "U.S. nuclear forces help convince potential adversaries that they cannot successfully escalate their way out of failed conventional aggression against the United States or our allies and partners." "Effective deterrence," according to Admiral Haney, the commander of United States Strategic Command, "requires planning, exercises, coordination with the regional commands, and a force posture capable of carrying out strikes." Referring to NATO's nuclear deterrent, the commander of U.S. European Command, General Breedlove, has said "it is important that we make sure it is ready, capable, and credible."

The committee notes that while the European Reassurance Initiative is aimed at assuring allies and reinforcing conventional deterrence and defense, deterring Russian aggression in Europe includes an important nuclear component. To increase the credibility of NATO's nuclear deterrent, the United States must continue the ongoing modernization of U.S. nuclear forces and ensure that nuclear forces assigned to the NATO mission are survivable, well-exercised, and increasingly ready to counter Russian nuclear doctrine, which calls for the first use of nuclear weapons. Such measures are consistent with the administration's emphasis on "the introduction of deterrence measures to better set European posture in the wake of Russian aggression."

Accordingly, the committee recommends an increase of $28.0 million for SAG 011A Primary Combat Forces to enhance the readiness and capability of U.S. nuclear forces assigned to support the NATO nuclear deterrence mission. These funds may be used for the following purposes and any other activities deemed necessary by the Department of Defense to support the nuclear mission in Europe: enhancing the readiness, training, and exercising of dual-capable aircraft (DCA); in support of and to promote additional allied nuclear burden-sharing activities; in support of regional nuclear command and control capabilities; and for the development and exercising of a concept of operations to improve DCA alert status and readiness through dispersal. The Secretary of Defense shall provide a report to the Defense Committees within 90 days of the enactment of this Act detailing how the additional funding will be allocated.

Security Cooperation Enhancement Fund

The budget request included in Overseas Contingency Operations funding $1.1 billion for Coalition Support Funds (CSF),and $1.0 billion for the Counterterrorism Partnerships Fund (CTPF).

The committee notes that elsewhere in this Act, the committee recommends a provision that would create the Security Cooperation Enhancement Fund (SCEF). Commensurate with that provision, the committee recommends a transfer of $820.0 million from CSF, and $650.0 million from the CTPF to the SCEF. The committee notes that the transfer from CSF includes a reduction of

$100.0 million and the transfer from CTPF includes a reduction of $150.0.

Drug Interdiction and Counter-Drug Activities

The budget request included $215.3 million for Drug Interdiction and Counter-drug Activities.

The committee is increasingly concerned about the production and trafficking of heroin, fentanyl, and other illicit drugs. Accordingly, of the amounts available for Drug Interdiction and Counter-drug Activities, not less than $191.5 million shall be available to enable operations to counter the production and trafficking of illicit drugs including but not limited to heroin and fentanyl (and precursor chemicals).

TITLE XVI—STRATEGIC PROGRAMS, CYBER, AND INTELLIGENCE MATTERS

Subtitle A—Space Activities

Requirement that pilot program for acquisition of commercial satellite communications services demonstrate order-of-magnitude improvements in satellite communication capabilities (sec. 1601)

The committee recommends a provision that would amend section 1605 of the Carl Levin and Howard P. "Buck" McKeon National Defense Authorization Act for Fiscal Year 2015 (Public Law 113–291) to prohibit the obligation or expenditure of any funding made available until the Secretary of Defense submits to the congressional defense committees a plan to demonstrate that the pilot program will achieve order-of-magnitude improvements in satellite communications capability.

The committee is disappointed that, despite numerous requests to the Air Force for its plan to meet the requirement for section 1605 in carrying out the pilot program, the Air Force has not only failed to meet the statutorily imposed requirement to provide a briefing on that pilot program at the same time as the President submitted to Congress the budget request for fiscal year 2017, but has also been nonresponsive to requests for information relating to that requirement.

Plan for use of allied launch vehicles (sec. 1602)

The committee recommends a provision that would require the Commander of the Air Force Space Command to develop a contingency plan for using allied space launch vehicles to meet assured access to space requirements should the Department of Defense not be able to meet those requirements without the use of rocket engines designed or manufactured within the Russian Federation.

The committee is concerned by the volatility associated with the use of Russian rocket engines. To hedge against that risk, the committee believes it prudent for the Commander of Air Force Space Command to assess what national security satellites, if any, the Commander believes could be launched on an allied launch vehicle in the event assured access to space cannot be met, for a limited period of time, without the use of space launch vehicles requiring rocket engines designed or manufactured in the Russian Federation.

The provision would explicitly prohibit the consideration of space launch vehicles from Russia, China, Iran, and North Korea.

Elsewhere in this Act, the committee recommends a provision requiring that assured access to space be achieved without the use

of rocket engines designed or manufactured in the Russian Federation.

Long-term strategy on electromagnetic spectrum for warfare (sec. 1603)

The committee recommends a provision that would require the Commander of United States Strategic Command (STRATCOM) to develop a unified strategy for availability, use, and protection of electromagnetic spectrum in wartime.

Five-year plan for Joint Interagency Combined Space Operations Center (sec. 1604)

The committee recommends a provision that requires no later than 180 days after the date of enactment the Secretary of Defense submit a 5-year plan for the Joint Interagency Combined Space Operations Center.

Independent assessment of global positioning system next generation operational control system (sec. 1605)

The committee recommends a provision that requires the Secretary of Defense to enter into an agreement with a federally funded research and development center to review the acquisition strategy for the Next Generation Operational Control System for the Global Positioning System.

Government Accountability Office assessment of satellite acquisition by National Reconnaissance Office (sec. 1606)

The committee recommends a provision that would require the Comptroller General of the United States to conduct an assessment, for calendar year 2017 and each calendar year thereafter, of the cost, schedule, and performance of each program of the National Reconnaissance Office (NRO) for developing, acquiring, launching, and deploying satellites or overhead reconnaissance systems that receive funding from the Military Intelligence Program or is supported by personnel of the Department of Defense. The provision would also direct the director of the NRO to provide the Comptroller General access, in a timely manner, to the information the Comptroller General requires to conduct the assessment.

The committee is concerned that limitations on the Government Accountability Office's (GAO) access to NRO space acquisition programs have impeded oversight of some of the most costly items the federal government procures. The committee is concerned that because of the lack of GAO access, NRO programs may be at greater risk of program mismanagement, cost overruns, schedule delays, and avoidable acquisition challenges.

Cost-benefit analysis of commercial use of excess ballistic missile solid rocket motors (sec. 1607)

The committee is aware that the Air Force spends approximately $17 million each year to store and maintain approximately 800 decommissioned Minuteman and Peacekeeper Intercontinental Ballistic Missile (ICBM) motors and associated equipment at Camp Navajo, Arizona and Hill Air Force Base, Utah. The committee is also aware that the Department of Defense is able to provide ex-

cess motors to United States launch providers in support of national security launch missions; however, current law and policy prohibit these motors from being used in commercial launch missions. In response to inquiries by committee members, the Air Force asserted that they have minimal readiness concerns regarding a change in statute that would allow them to competitively sell excess motors to commercial launch providers. The committee believes commercial use of decommissioned motors could increase the proficiency of the government infrastructure base, making crews better able to execute government launches, and improve knowledge on rocket motor performance, while reducing the need for the Air Force to store and eventually destroy these motors.

The committee recommends a provision that would require the Comptroller General of the United States to conduct an analysis of the cost and benefits of allowing the use of excess ballistic missile solid rocket motors for commercial space launch purposes. This analysis would include an evaluation of the effect of allowing such use on national security, the Department of Defense, the solid rocket motor industrial base, the commercial space launch market, and any other areas the Comptroller General considers appropriate.

Assessment of cost-benefit analysis by Department of Defense of use of KA-band commercial satellite communications (sec. 1608)

The committee recommends a provision that would require the Comptroller General to assess the types of analyses the Department of Defense has conducted to understand the costs and benefits of the use of KA-band commercial satellite communications by the department. The assessment would require the Comptroller General of the United States to determine whether the department has evaluated how KA-band satellite communications technologies compare to other commercially available communication satellite waveforms. The assessment would also evaluate the Defense Department's review of these technologies based on total cost, capabilities, and interoperability with existing or planned military terminals, as well as any other matter the Comptroller General considers appropriate.

Limitation on use of funds for Joint Space Operations Center Mission System (sec. 1609)

The committee recommends a provision that would limit the use of funds for increment 3 of the Joint Space Operations Center Mission System until the Secretary of the Air Force submits to the congressional defense committees a report setting forth a strategy for acquiring a common software and hardware framework for battle management, communication, and control.

Limitation on availability of fiscal year 2017 funds for the global positioning system next generation operational control system (sec. 1610)

The committee recommends a provision that would restrict the obligation or expenditure of amounts authorized to be appropriated for fiscal year 2017 and available for the current product development contract for the Global Positioning System Next Generation

Operational Control System (GPS–OCX) until the Secretary of Defense submits to Congress the certification required under section 2433a(c)(2), title 10, United States Code, commonly referred to as a Nunn-McCurdy certification.

The committee is strongly concerned with the current state of the GPS–OCX program. This program, which was recently referred to by a senior Air Force leader as the Air Force's "number one troubled program" was expected to deliver initial capability by the end of 2016, but is currently not expected to do so for another 5 to 7 years. The program has also experienced cost growth in excess of 250 percent with continuing cost growth expected. The committee is concerned that the Air Force and the office of the Undersecretary of Defense for Acquisition, Technology, and Logistics (AT&L) have artificially restricted the identification of that future cost growth by delaying the re-baselining of the GPS–OCX program and, therefore, artificially postponed the reviews required with a Nunn-McCurdy certification.

While the committee believes the Defense Department would not take actions to impede transparency and oversight, the committee does not support efforts to artificially prevent Nunn-McCurdy reviews, which, in this case, the Department appears to have done by delaying the release of the Air Force's cost position. With contract cost growth of more than 250 percent of the program's original business case, persistent unresolved technical issues, and a schedule that appears unachievable, the committee believes that the Department and the Air Force need to conduct the reviews necessary to determine the best path forward and provide Congress with the assurances necessary to warrant program continuation. The committee feels strongly that the Air Force must replace the existing GPS ground segment to improve on the capability and robustness of the GPS architecture. However, continuation of the existing program at any cost is unacceptable.

The committee is also concerned that despite a willingness by the contractor to convert the GPS–OCX program to a fixed price contract vehicle, the Undersecretary for Acquisition, Technology, and Logistics opted not to limit risk to the taxpayer by converting the contract to fixed cost, opting instead to proceed under the existing cost-plus contracting arrangement without reasonable justification. The committee is also concerned that the Undersecretary for Acquisition, Technology, and Logistics chose to ignore the recommendation of the Air Force to add 4 additional years to the program opting instead to extend the program by only 2 years and assume significantly higher program risk.

The GPS–OCX program should serve as a lesson in developing complicated ground systems decoupled in acquisition from the actual satellite program they are to support, especially with respect to evolving issues such as information assurance and integration of this system with both the current GPS II and future GPS III constellation. The committee expects that the Department should have developed as part of this ongoing program review a series of off ramps should the ongoing effort prove that it cannot stabilize the agreed upon milestones between the Department and the contractor.

Availability of certain amounts to meet requirements in connection with United States policy on assured access to space (sec. 1611)

The committee recommends a provision that would allow for up to half of the funds made available for a replacement space launch propulsion system or new launch vehicle in fiscal years 2016, 2017, or any future fiscal year, be made available for meeting the requirements in connection with United States policy on assured access to space (section 2273(b), title 10, United States Code) as amended by this Act.

Elsewhere in this Act, the committee recommends a provision that would amend section 2273(b) of title 10, United States Code, by prohibiting launch vehicles requiring rocket engines designed or manufactured in the Russian Federation from satisfying assured access to space requirements.

The committee believes that up to half of the funds made available for the development of a replacement launch vehicle or launch propulsion system can be made available for offsetting any increase in launch costs as a result of prohibitions on Russian rocket engines. With $1.2 billion budgeted from fiscal year 2017 to 2021 for the launch replacement effort and $453.4 million already appropriated in fiscal year 2015 and fiscal year 2016, the committee believes there is more than sufficient funding available and budgeted for either a replacement propulsion system or launch vehicle and also to offset any additional costs required in meeting our assured access to space requirements without the use of Russian rocket engines.

Availability of funds for certain secure voice conferencing capabilities (sec. 1612)

The committee recommends a provision that would authorize up to $10.2 million in Air Force research, development, test, and evaluation funds from fiscal year 2015 or 2016 for the Presidential and National Voice Conferencing Program and the Advanced Extremely High Frequency Extended Data Rate, worldwide, secure, survivable voice conferencing capability for the President and national leaders.

The Department of Defense requested $10.2 million, on behalf of the Air Force, for a new start authorization for the Presidential and National Voice Conferencing Program on March 3, 2016. According to the reprogramming documentation (DOD Serial Number FY 16–08PA) provided to the committee, without this funding, the "Air Force will be unable to fulfill its enduring mission to provide command and control of nuclear forces by the President and national senior leaders."

The committee supports the modernization of the Nuclear Command and Control (NC2) architecture and the integration of enhanced voice conferencing on the fleet of presidential aircraft. The committee also notes that while these upgrades are necessary, legacy presidential communications capabilities are effective and ensure the president's access to secure and survivable communications. The committee believes requests for new start authorizations through the reprogramming process should be limited only to the most urgent circumstances and should be directly linked to an ur-

gent war fighting need as identified by a combatant commander or the Joint Chiefs of Staff through an urgent operational needs or similar request. While the reprogramming request did not reach that threshold, the committee does believe the request has merit and meets validated requirements. Therefore, the committee recommends it be authorized in this bill.

Subtitle B—Defense Intelligence and Intelligence-Related Activities

Department of Defense-wide requirements for security clearances for military intelligence officers (sec. 1621)

The committee recommends a provision that would require the Secretary of Defense to ensure that each military intelligence officer serving in military intelligence leadership positions has an active security clearance.

The services' senior military intelligence officers are responsible for advising service secretaries on intelligence matters, leading their service intelligence professionals, as well as formulating policy, planning, programming, budgeting, managing and overseeing the intelligence activities of their respective services.

The committee urges the services to enhance their military intelligence capabilities and oversight through the positioning of officers with extensive and long-term military intelligence experience as the service senior adviser for intelligence.

Subtitle C—Cyber Warfare, Cybersecurity, and Related Matters

Cyber Protection Support for Department of Defense Personnel in Positions Highly Vulnerable to Cyber Attack (sec. 1631)

The committee recommends a provision that would authorize the Secretary of Defense to provide cyber protection support to personnel who are determined by the Secretary to be of highest risk of vulnerability to cyber attacks on their personal devices, networks, and persons.

The committee is concerned that the employees to be protected under the authority in this provision, have an important obligation to refrain from any use of a personal data communication, networks, or storage devices in the performance of official duties. The committee also expects the Department to also provide reasonable and appropriate access to communication devices for official purposes directly related to a nominee's participation in activities of the Department to prepare the individual for Senate confirmation.

Cyber mission forces matters (sec. 1632)

The committee recommends a provision that would provide interim authorities to the Secretary of Defense to enhance the Department's ability to hire and retain civilian personnel with the high-level of skill and aptitude necessary to provide critical technical support to the Cyber Mission Teams that are now nearing full operational capability. The provision also would direct the Principal Cyber Advisor to (1) supervise the development of training stand-

ards and capacity to train civilian cyber personnel to develop tools and weapons for the Cyber Mission Forces (CMF), and (2) ensure that sufficient priority exists for the timely completion of security clearance investigations and adjudications for such personnel.

The National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92) provided authority to the Secretary of Defense to establish an excepted service personnel system for civilians supporting the Department's cyber mission. This authority was directly modeled on the existing excepted service personnel system for Defense intelligence civilian personnel. The committee has learned that it will take the Department 4 years to convert most of the CMF positions covered by legislation. The Commander of United States Cyber Command emphasized to the committee that near-term action is necessary to address skill shortfalls in the civilian workforce until the new system is fully implemented.

The CMF includes 1,260 civilian positions that are spread across the military services' individual DCIPS excepted service programs, but many positions reside in the competitive service system, particularly in the Cyber Protection Teams. The interim authorities proposed in this provision will enable the Department to manage the personnel recruited for these positions more effectively to enhance the readiness and capabilities of the CMF.

Limitation on ending of arrangement in which the commander of the United States Cyber Command is also Director of the National Security Agency (sec. 1633)

The committee recommends a provision that would express the sense of Congress that the arrangement (commonly referred to as a "dual-hat arrangement") under which the Commander of the United States Cyber Command (CYBERCOM) also serves as the Director of the National Security Agency is in the national security interests of the United States. The provision would also prohibit the Secretary of Defense from taking action to end the "dual-hat arrangement" until the Secretary and the Chairman of the Joint Chiefs of Staff jointly determine and certify to the appropriate committees of Congress that ending that arrangement will not pose unacceptable risks to the military effectiveness of CYBERCOM. The provision would also require the establishment of conditions-based criteria for assessing the need to sustain the "dual-hat arrangement."

Pilot program on application of consequence-driven, cyber-informed engineering to mitigate against cyber-security threats (sec. 1634)

The committee recommends a provision that would authorize the Secretary of Defense, in coordination with the secretaries of the military departments, to carry out a pilot program to assess the feasibility and advisability of applying consequence-driven, cyber-informed engineering methodologies to military installation operating technologies, including industrial control systems, to increase resilience against cybersecurity threats. The committee notes that protecting all systems to the same degree to preserve the integrity of every mission at a given military installation is impractical, and that traditional mission assurance planning augmented by a real-

istic assessment of existing and emerging cyber threats targeting vulnerable operating technologies will assist in prioritizing limited resources to protect the most critical assets. A consequence-driven, cyber-informed engineering approach is based on an evaluation of the operating environment that discriminates between targeted and indiscriminate attacks, analyzes vulnerabilities beyond traditional Information Technology security, and addresses systems created to control critical infrastructure that were designed primarily to meet engineering requirements with little or sometimes no consideration of security requirements.

Evaluation of cyber vulnerabilities of F–35 aircraft and support systems (sec. 1635)

The committee recommends a provision that would modify a provision from the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92), requiring the Secretary of Defense to evaluate the cyber vulnerabilities of every major Department of Defense weapons system by not later than December 31, 2019. The provision would do so by requiring that a complete evaluation of the F–35 aircraft and its support systems, such as the Autonomic Logistics Information System, be completed before February 1, 2017. The provision would require the Secretary of Defense to submit a report on the F–35 cyber vulnerability evaluation to the congressional defense committees no later than February 28, 2017. The provision would also allow for funding to be used for the development of tools that improve cyber vulnerability assessments, nonrecurring engineering for the design of mitigation solutions, and Department-wide information repositories to share assessment findings and mitigation solutions.

The committee remains concerned by the overall lack of awareness of cyber vulnerabilities in Department of Defense weapons systems and is concerned in particular that the fielding of the F–35 may not be fully informed by the potential threats posed by malicious cyber activity or the mitigation options available to limit those threats. The committee notes that the F–35 has more than 8 million lines of code, more than any jet in history. Given the complexity of its software, unless appropriate steps are taken to identify and fully understand these cyber vulnerabilities, the F–35 could present our adversaries with potential cyber exploitation opportunities. The F–35 also relies on an Autonomic Logistics Information System which will modernize aircraft maintenance. However, unless protected properly, it too may present potential cyber exploitation opportunities given its dependence on less secure networks.

Review and assessment of technology strategy and development at Defense Information Systems Agency (sec. 1636)

The committee recommends a provision that would require the Director of the Defense Information Systems Agency (DISA) to develop a technology strategy. Further, it would require that this strategy be developed in coordination with the Undersecretary for Acquisition, Logistics, and Technology, and the Chief Information Officer. The committee notes with concern that DISA has reduced its emphasis on research and technology innovation. The committee

further notes that DISA does not coordinate its activities with the rest of the DOD science and technology community, especially given its unique information technology mission. Finally, the committee notes that DISA does not make use of the Department's successful Small Business Innovation Research program, laboratory expertise, or university research programs, in order to gain better access to leading edge technologies and top technical talent.

Evaluation of cyber vulnerabilities of Department of Defense critical infrastructure (sec. 1637)

The committee recommends a provision that would require the Secretary of Defense to evaluate the cyber vulnerabilities of Department of Defense critical infrastructure by not later than December 31, 2020.

The provision would require the Secretary of Defense to develop a plan, within 180 days of the enactment of this Act, identifying the Department of Defense critical infrastructure that will be evaluated and an estimate of the funding required for conducting the assessments. The provision would require the Chairman of the Joint Chiefs of Staff to prioritize the order of evaluations based on the criticality of supporting infrastructure to the employment of forces and threats.

The provision would require that the assessments build upon and not duplicate existing efforts regarding the identification and mitigation of cyber vulnerabilities of major weapon systems and Department of Defense critical infrastructure. The provision would require the Secretary to keep the congressional defense committees regularly apprised of the activities underway, to include the number of completed evaluations and the number of evaluations remaining. For the purpose of conducting the required assessments, the provision would authorize the Secretary to develop tools, conduct non-recurring engineering for the design of mitigation solutions, and establish department-wide information repositories for sharing the findings of assessments and mitigation solutions.

The provision would also define Department of Defense critical infrastructure as any asset of the Department of Defense of such extraordinary importance to the functioning of the Department and the operation of the military that its incapacitation or destruction from a cyber attack would have a debilitating effect on the ability of the department to fulfill its missions.

The committee notes that this provision would complement the requirement from the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92) that the Secretary of Defense evaluate the cyber vulnerabilities of every major Department of Defense weapons system by not later than December 31, 2019.

Plan for information security continuous monitoring capability and comply-to-connect policy (sec. 1638)

The committee recommends a provision that would require the Chief Information Officer of the Department of Defense and the Commander of United States Cyber Command, in coordination with the Principal Cyber Adviser, to jointly develop a plan for a modernized, enterprise-wide information security continuous monitoring capability and a comply-to-connect policy.

The provision would require the Chief Information Officer and the Commander of United States Cyber Command to issue directives for implementation of the plan in time for Department of Defense components to request the necessary resources for implementing those plans in the fiscal year 2019 budget request.

The provision would also require for the plan and policy required by this provision to enable compliance with the software license inventory requirements of the plan issued pursuant to section 937 of the National Defense Authorization Act for Fiscal Year 2013 (Public Law 112–239; 10 U.S.C. 2223 note) and updated pursuant to section 935 of the National Defense Authorization Act for Fiscal Year 2014 (Public Law 113–66; 10 U.S.C. 2223 note).

The provision would limit the obligation or expenditure of any funds for a software license for which the Department would spend more than $5.0 million annually unless the Department is able through automated means to both count the number of licenses in use and determine the security status of each instance of use of the software licensed.

Report on authority Delegated to Secretary of Defense to conduct cyber operations (sec. 1639)

The committee recommends a provision that would require the Secretary of Defense to submit a report to the congressional defense committees specifying in detail the authorities that have been delegated by the President to the Secretary for conducting cyber operations. The report would require the Secretary to detail the standing authorities and limitations that authorize or limit the Secretary in conducting cyber operations and how those authorities compare to the authorities delegated to the Secretary for activities in non-cyber domains.

The committee is concerned that the President has withheld delegating critical authorities for cyber operations that in other warfighting domains would be delegated to the Secretary of Defense. As a result, the committee is concerned that the Defense Department may not be appropriately postured to defend and respond to malicious cyber behavior. As the Commander of U.S. Cyber Command testified to the committee on April 5, 2016, to date cyber policy decisions have been made on a "case-by-case basis." The committee believes that more must be done in advance of a major cyber attack, on the homeland or U.S. interests abroad, to ensure that the Defense Department is best postured to defend and respond to such attack in a cyber-relevant timeframe.

Deterrence of adversaries in cyberspace (sec. 1640)

The committee recommends a provision that would require the Chairman of the Joint Chiefs of Staff to submit to the President and the congressional defense committees a report on the military and nonmilitary options available to the United States to deter Russia, China, Iran, North Korea, and terrorist organizations in cyberspace. The provision requires the report to include an assessment of the effectiveness of the deterrence options available. It also requires that the Chairman provide an integrated priorities list of cyber deterrence capabilities of the Department of Defense that identify, at a minimum, high priority capability needs prioritized

across armed forces and functional lines, risk areas, and long-term strategic planning issues.

The provision would also require within 60 days of receiving the report from the Chairman of the Joint Chiefs of Staff, that the President submit to the congressional defense committees a separate report identifying when an action carried out in cyberspace constitutes an act of war against the United States. The report should include (1) identification of what actions carried out in cyberspace constitute an act of war against the United States; (2) identification of how the law of war applies to the cyber operations of the Department of Defense; (3) identification of the circumstances required for responding to a cyber attack against the United States; and (4) a declaratory policy on the use of cyber weapons by the United States. In preparing this report, the President must also consider (1) whether a cyber attack must demonstrate a use of force to be considered an act of war; (2) the ways in which the effects of a cyber attack may be equivalent to the effects of an attack using conventional weapons, including with respect to physical destruction or casualties; (3) intangible effects of significant scope, intensity, or duration; and (4) how the law of neutrality applies, how the utilization or exploitation of communications infrastructure in neutral States applies, and what limitations, if any, apply in exercising the right of the United States to act in self-defense though a cyber-operation.

Section 941 of the National Defense Authorization Act for Fiscal Year 2014 (Public Law 113–66) required the President to develop a deterrence policy for reducing cyber risks to the United States and our allies. The report was provided to the committee more than a year-and-a-half past the required submittal date. The committee is concerned by the delayed report's lack of seriousness and focus and its failure to define fundamental deterrence policy questions or present effective options for imposing costs on our cyber adversaries. The report disappointingly repackaged the same rhetoric and recycled the same pronouncements that have failed to impose any consequences on those seeking to undermine the national security of the United States in cyberspace. The committee hopes the President will approach this new cyber deterrence requirement with a heightened level of seriousness and urgency.

Subtitle D—Nuclear Forces

Procurement authority for certain parts of intercontinental ballistic missile fuzes (sec. 1651)

The committee recommends a provision that gives the Department of Defense the authority to buy intercontinental ballistic missile fuze parts pursuant to contracts entered into under section 1645(a) of the Carl Levin and Howard P. "Buck" McKeon National Defense Authorization Act for Fiscal Year 2015 (Public Law 113–291).

Modification of report on activities of the council on oversight of the National Leadership Command, Control and Communications System (sec. 1652)

The committee recommends a provision that adds a reporting requirement to the annual report of the Council on Oversight of the National Leadership Command, Control, and Communications System for readiness.

Review by the Comptroller General of the United States of recommendations relating to nuclear enterprise of Department of Defense (sec. 1653)

The committee recommends a provision that would require the Comptroller General to review the Department of Defense's nuclear enterprise review process to ascertain whether recommendations are adequately being implemented.

Sense of Congress on nuclear deterrence (sec. 1654)

The committee recommends a provision which states the sense of Congress that the nuclear forces of the United States continue to play a fundamental role in deterring aggression against the interests of the United States and its allies. It also states that the prevention of war through effective deterrence requires survivable and flexible nuclear forces that are well exercised and ready to respond to nuclear escalation if necessary. In support of a strong and credible nuclear deterrent, the United States must: maintain a nuclear force with a diverse range of nuclear yields and delivery modes; afford the highest priority to the modernization of the nuclear triad; and ensure the broadest participation of United States allies in nuclear defense planning and training. Finally, it states that the North Atlantic Treaty Organization (NATO) must make it clear at the NATO summit in Warsaw, Poland in July 2016 that NATO has taken steps to address the nuclear provocations of the Russian Federation.

Subtitle E—Missile Defense Programs

Required testing by Missile Defense Agency of ground-based mid-course defense element of ballistic missile defense system (sec. 1661)

The committee recommends a provision that would require the Director of the Missile Defense Agency (MDA) to administer a flight test of the ground-based mid-course defense element of the ballistic missile defense system not less frequently than once each fiscal year. The Director should ensure that each test provides, when possible, one or more of the following: (1) validation of technical improvements made to increase system performance and reliability; (2) evaluation of the operational effectiveness of the ground-based mid-course defense element of the ballistic missile defense system; (3) use of threat-representative targets and critical engagements conditions; (4) evaluation of new configurations of interceptors before they are fielded; (5) satisfaction of the "fly before buy" acquisition approach for new interceptor components or software; and (6) evaluation of the interoperability of the ground-based mid-

course defense element with other elements of the ballistic missile defense system.

Iron Dome short-range rocket defense system codevelopment and coproduction (sec. 1662)

The committee recommends a provision that would authorize not more than $42.0 million for the Missile Defense Agency to provide to the Government of Israel to procure Tamir interceptors for the Iron Dome short-range rocket defense system through co-production of such interceptors in the United States. Before disbursing to the Government of Israel the funding for Iron Dome, the Director of the Missile Defense Agency and the Under Secretary of Defense for Acquisition, Technology, and Logistics must certify that the March 5, 2014 bilateral international agreement concerning Iron Dome, as amended, is being implemented. The provision would also limit the funding available to the Government of Israel for the David's Sling Weapon System until the appropriate congressional committees receive the plan required by subsection (d) of section 1679 of the National Defense Authorization Act for Fiscal Year 2016 (129 Stat.1135; Public Law 114–92).

Non-terrestrial missile defense intercept and defeat capability for the ballistic missile defense system (sec. 1663)

The committee recommends a provision that would amend Section 1685 of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92; 129 Stat.1142) by adding at the end a new subsection stating that not later than 60 days after the submittal of the report required by subsection (c), the Director may commence coordination and activities associated with research, development, test, and evaluation on the programs described in subsection (c)(2). The provision would also update the annual budget information required in subsection (c)(2).

Review of pre-launch missile defense strategy (sec. 1664)

The committee recommends a provision that would require the Secretary of Defense and the Chairman of the Joint Chiefs of Staff to jointly conduct a review of the Department of Defense strategy and capabilities for countering missiles before they are launched, including for both regional and homeland defense, to defeat both cruise and ballistic missiles, and considering the range of capabilities including active, passive, kinetic, and non-kinetic measures. The results of this review shall be submitted to the congressional defense committees in the form of a report not later than 180 days after the date of enactment of this Act.

Modification of National Missile Defense policy (sec. 1665)

The committee recommends a provision that would remove the word "limited" from Section 2 of the National Missile Defense Act of 1999 (Public Law 106–38; 10 U.S.C. 2431 note). The Act would read as follows: It is the policy of the United States to deploy as soon as is technologically possible an effective National Missile Defense system capable of defending the territory of the United States against ballistic missile attack (whether accidental, unauthorized, or deliberate) with funding subject to the annual authorization of

appropriations and the annual appropriation of funds for National Missile Defense.

Extension of prohibitions on providing certain missile defense information to the Russian Federation (sec. 1666)

The committee recommends a provision that would amend section 130h(d) of title 10, United States Code, by striking "2017" and inserting "2018".

Subtitle F—Other Matters

Survey and review of Defense Intelligence Enterprise (sec. 1671)

The committee recommends a provision that would require the Chairman of the Joint Chiefs to conduct a review of the Defense Intelligence Enterprise, including the defense intelligence agencies and intelligence elements of the combatant commands and military departments, to assess the capabilities and capacity of such Enterprise to meet present and future defense intelligence requirements. The provision would also require the Chairman to conduct a survey of each geographic combatant command to determine how each prioritizes and allocates its intelligence resources. The provision would also require the chairman to report the findings of the review and survey to the Under Secretary of Defense for Intelligence and to the congressional defense committees. The report should include a detailed analysis of how each combatant command uses the intelligence resources available to each command and provide recommendations for improving the Defense Intelligence Enterprise to fulfill operational military requirements.

Milestone A decision for Conventional Prompt Global Strike (sec. 1672)

The committee recommends a provision that would require the Secretary of Defense to make a Milestone A decision for Conventional Prompt Global Strike no later than September 30, 2020, or 8 months after the successful completion of the Intermediate Range Flight 2 test.

Cyber Center for Education and Innovation and National Cryptologic Museum (sec. 1673)

The committee recommends a provision that would authorize the Secretary of Defense to establish at Fort George G. Meade the "Cyber Center for Education and Innovation and the National Cryptologic Museum" and to enter into an agreement to build and accept the Center with the National Cryptologic Museum Foundation.

Items of Special Interest

Additional Atlantic radar capability

The committee supports the administration's plans to expand and modernize the Ground-Based Midcourse Defense (GMD) system, which defends the homeland against limited long range ballistic missile attacks from countries such as North Korea and Iran.

The committee agrees with Missile Defense Agency (MDA) analysis that "additional missile defense sensor discrimination capabilities are needed to enhance the protection of the United States homeland against potential long-range ballistic missiles from Iran," which is why the Congress included a provision (section 1684) in the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92) that directed deployment, by December 31, 2020, of a long-range discrimination radar or other appropriate sensor capability to support the defense of the homeland against Iran.

U.S. Northern Command (NORTHCOM) Commander, Admiral William Gortney, has stated in written testimony that "Iran may be able to deploy an operational ICBM by 2020 if the regime chooses to do so." Furthermore, Iran has launched multi-stage space launch vehicles and continues to test ballistic missiles in violation of United Nations Security Council Resolution 1929.

The committee understands that the MDA, NORTHCOM, and U.S. Pacific Command (PACOM) have prioritized the defense of Hawaii from the existing North Korean threat. However, the committee has concerns with the Department of Defense's implementation of section 1684. According to the MDA, the Department of Defense has begun a siting study to determine the feasibility of certain East Coast locations for home-porting the Sea-Based X-Band Radar (SBX) platform. However, a March 11, 2016 response from the Missile Defense Agency to a congressional request for information concludes: "no decision has been made to deploy SBX to the Atlantic or to develop and construct an additional missile defense discrimination sensor, and no funds are budgeted for these purposes."

The committee believes that if the administration intends to continue to rely on the current ground-based interceptors deployed in Alaska to defend the U.S. against a potential Iranian ICBM, then it is important that there is an additional discrimination sensor directed against Iran in the near-term. The committee urges the Secretary of Defense and the Director of MDA to continue their efforts to determine the best sensor capability for coverage of the Atlantic and to continue to update the committee on steps taken to implement section 1684 of the National Defense Authorization Act for Fiscal Year 2016.

Air Force Global Strike Command's management of the National Airborne Operations Center

The National Airborne Operations Center (NAOC) consists of four specially modified E–4B Boeing 747–200 aircraft, which perform a number of national security missions for U.S. senior leadership. Given the expanded role of the Air Force Global Strike Command (AFGSC) as part of the Force Improvement Program and Nuclear Enterprise Review, it has come to the attention of the committee that the AFGSC will manage certain operations of the four aircraft, which so far have been managed by the Air Combat Command. No later than February 28, 2017, the Secretary of the Air Force shall describe the management roles of the Air Force Global Strike Command as well as the Air Combat Command with respect to the NAOC so that the committee understands what each major command is responsible for and to ensure there are no gaps or

seams in this new management construct. This shall include staffing, advocating for resources, maintenance, relationship with the Joint Chiefs of Staff and the Air Combat Command, as well as the role of the AFGSC with the Mission Area Analysis that is being conducted by the Joint Chiefs of Staff, and in particular the Commander of the AFGSC designated role as advocating in the Air Force for all nuclear command and control.

Air Force Seismic Technologies Program

The committee notes with concern the continuing threat of nuclear proliferation as evidenced by North Korea's recent fourth nuclear weapons test.

The committee feels the Air Force Research Laboratory's seismic technologies program is a key component in efforts to identify and monitor nuclear activity. The committee strongly supports the laboratory's efforts to continue to develop seismic technology needed to sustain and improve the capability of the United States to monitor nuclear tests. The Committee requests that the Air Force keep it appraised of this important research program.

The committee also recommends the Air Force ensure the Air Force Research Laboratory's seismic technologies program participates fully in the Air Force's Small Business Innovative Research Program. The U.S.'s monitoring capability will benefit greatly from the innovative ideas and research that small businesses can bring to bear to advance the U.S.'s capability to detect and characterize small nuclear tests in rogue countries to help ensure the Air Force continues to meet its operational monitoring requirements.

Ballistic Missile Defense System

The committee recognizes that the current Ballistic Missile Defense System (BMDS) protects the entire United States homeland, including Hawaii, against the threat of limited ballistic missile attack from North Korea. However, the committee acknowledges that North Korea is developing advanced missile technologies and claims to have tested several of them. By expanding persistent sensor discrimination capabilities, the BMDS would be better enabled to respond to emerging ballistic missile threats, including those with countermeasures and decoys. The committee is aware that, in response to a provision in the committee's report that accompanied the National Defense Authorization Act for Fiscal Year 2016, the Missile Defense Agency has assessed several options for improving the BMDS sensor architecture for the defense of Hawaii.

The committee also notes that the Department of Defense is conducting a Global BMDS Sensors Analysis of Alternatives. Within the context of that analysis, the committee urges the Department to consider the most effective sensor capabilities for the defense of Hawaii, including those that maximize improved performance of the Ground-based Midcourse Defense element.

Commercial cloud implementation in the Department of Defense

The committee continues to urge the adoption of commercial cloud computing capabilities throughout the Department of Defense (DOD) to achieve cost savings, increased efficiency, and improved

security. To reach this objective, the DOD must develop appropriate security requirements to ensure that sensitive missions, data, and the DoD Information Network (DODIN) itself are protected from evolving cyber threats. The committee appreciates the Chief Information Officer's (CIO) continuing efforts to examine how barriers to the adoption of commercial cloud services can be removed. However, the committee highlights the following specific issues that the Department must address to better enable commercial cloud adoption:

- Updating physical and logical security requirements for off-premise commercial cloud offerings;
- Determining the computer network defenses necessary to protect the DODIN from potential intrusions inside commercial cloud offerings;
- Updating the security screening process required to address risks at DODIN access points;
- Addressing the latency and network throughput issues experienced with current Cloud Access Point (CAP) approaches; and
- Acquiring the next-generation perimeter and endpoint security tools that align with commercial cloud providers' environments to enable apples-to-apples cost comparisons and ease transitions to cloud services.

Commercial off the shelf procurement for ICBM launch control centers

It has come to the attention of the committee that given the special electronic protections needed within the launch control centers, commercial off the shelf (COTS) procurement of simple items such as video screens can take a year or more to certify, by which time the COTS item has been discontinued, or worse, there are so few that the demand signal by the Air Force increases its price several fold. The result is that items for daily use in the launch control center break or simply become worn down, which then becomes a quality of life issue. Given the irritating nature of this COTS issue with the combat crews, which spend 24 hours in the capsules, the committee directs the Secretary of the Air Force to examine how to procure rapidly, COTS items for use in the launch control centers and report to the congressional defense committees no later than March 31, 2017 on how such a remedy will be implemented.

Comptroller General Review of the ground based strategic deterrent system

The Air Force plans to design, develop, and field the ground based strategic deterrent (GBSD) over the next decade to replace the current intercontinental ballistic missile Minuteman III weapon system beginning in the fiscal year 2028 time frame. The Air Force plans to request approval to begin technology maturation and risk reduction activities at a milestone A review before the end of fiscal year 2016, and expects to spend more than $3.0 billion on early development activities between fiscal year 2017 and fiscal year 2021. As a result, the committee requests that the Comptroller General of the United States review the Air Force's GBSD technology development, acquisition approach, and investment

plan, and brief the congressional defense committees on the results of that review on an annual basis from fiscal year 2017 to 2021 with periodic updates as agreed to with the Government Accountability Office.

Conventional prompt global strike

The committee is encouraged by the Department of Defense's commitment to the conventional prompt global strike activity shown in the fiscal year 2017 budget submission. The committee notes that the request seeks to substantially increase the Department's investment in prompt global strike technology development activities. The committee looks forward to the successful execution of the upcoming Navy Intermediate Range Conventional Prompt Strike (IRCPS) flight experiment, and to working closely with the Department to prioritize continued development of the materials and technologies required to support near term operational system development efforts.

As the CPGS activity continues working toward a milestone development decision, the committee would like to understand factors that may delay the Initial Operational Capability of a future program of record, as well as considerations regarding a Limited Operational Capability across the military services. Therefore, the committee directs the Secretary of Defense to develop a CPGS integrated master plan describing CPGS research and development activities including the Army, Navy and Air Force, as the Secretary determines appropriate, which enable an operational CPGS capability.

The Secretary must provide a report on this plan to the congressional defense committees no later than January 1, 2017. The report should include a description of the coordination and collaboration among the various agencies working hypersonic activities in support of the CPGS capability and must identify high risk areas associated with long lead items or technologies that could be mitigated prior to a major milestone development decision, including the need for adequate test facility infrastructure. The report shall also address whether there are warfighter requirements or integrated priorities lists-submitted needs for a limited conventional prompt global strike capability and options across the military services for supporting such requirements or integrated priorities lists submissions.

Cyber protection for the ballistic missile defense system

The committee is encouraged by the efforts of the Missile Defense Agency (MDA) to ensure that the Ballistic Missile Defense System (BMDS) is protected against cyber threats, in compliance with the Department of Defense's regulation DFARS 252.204–7012, Safeguarding Covered Defense Information and Cyber Incident Reporting. However, in testimony to Congress, the Director of MDA, Vice Admiral James Syring, expressed concern over the vulnerabilities of cleared defense contractors who are under contract to work with MDA. The committee is concerned that future years funding may be inadequate to address the full range of credible cyber risks to the BMDS and its supply chain. Accordingly, the committee urges the Department to provide proper priority towards

assessing the BMDS, including its supply chain, in the context of the cyber vulnerability evaluations required by section 1647 of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92) and directs the Principal Cyber Advisor to the Secretary of Defense to provide a briefing to the committee on the plan for conducting a cyber vulnerability evaluation of the BMDS no later than October 1, 2016.

Cyber security on military installations

The committee is concerned that, despite some promising activity, the level of effort and funding necessary to ensure that industrial control systems needed to protect military installations and facilities from cyber-attack is insufficient to meet the growing threat. To assist the Department's efforts to address this issue as a matter of priority, the committee directs the Secretary of Defense to collate and analyze, within 180 days, the actions that have already been taken by the Department to increase the security of its industrial control systems and command and control systems, including the installations and systems already secured; the systems remaining to be secured; the plan by which the remaining systems will be secured and the expected time it will take to make them secure; the organizational and financial resources estimated to be required to implement the plan; and the manner in which the success of the plan is to be assessed.

Department of Defense report on nuclear enterprise funding and management

The committee notes that the Congress has stressed the vital importance that the triad of strategic nuclear delivery systems plays in ensuring the national security of the United States. The committee has consistently supported and emphasized to the Department of Defense (DOD) the importance of effective and efficient planning and management of the programs critical to the nuclear deterrent of the United States and the personnel, systems, and infrastructure that comprise such deterrent. The committee notes that re-capitalizing the aging legs of the strategic triad has a significant fiscal impact. For example, the Navy's *Ohio*-class strategic ballistic missile submarine replacement program is intended to carry 70 percent of our nation's strategic weapons, and the fiscal investments in this program will make it one of the largest acquisition efforts in the Department of Defense. Similarly, Air Force programs to support the land-based and air-based legs of the strategic triad involve several major programs, including, among others, modernization of the intercontinental ballistic missile force and development of the long-range strategic bomber.

The committee appreciates the Department's consideration of ideas to help manage these major programs. The Congress has continued to support these efforts by providing planning and budget flexibility wherever possible. The committee is aware that the Navy intends to use these and other authorities to improve fiscal stability and program management of the *Ohio* replacement program. The committee believes the Secretary of Defense should consider the value and impact of such flexibility throughout the nuclear enterprise. In addition, the committee notes that effective planning

and program management for such critical support structures as nuclear command, control, and communications networks is equally as important as the delivery systems for maintaining the viability of strategic deterrence.

The committee therefore directs the Secretary of Defense to assess the viability of options for improving the program management and fiscal stability of the key modernization programs for the nuclear enterprise, to include delivery systems and the nuclear command, control, and communications systems. The Department submit a report to the Committees on Armed Services of the Senate and the House of Representatives on the results of the assessment no later than March 1, 2017. The assessment should include:

(1) options and potential authorities to improve funding stability and reduce cost;

(2) options and actions to improve program and financial management planning for nuclear delivery and nuclear command, control, and communications systems;

(3) options for combining fund transfer flexibility at the Secretary of Defense level (e.g., joint or cross-service funds) for the entire nuclear enterprise, including an explanation of how financial management accountability and transparency would be maintained related to funds moving in to and out of any such mechanisms; and

(4) other funding and program management considerations the Secretary of Defense deems appropriate.

E–4B Recapitalization Plan

The Air Force's fleet of four E–4B aircraft, based on the Boeing 747–200 airframe, provides the National Airborne Operations Center (NAOC) for the President, the Secretary of Defense, the Chairman of the Joint Chiefs of Staff, and other senior leaders. It is a critical component of airborne layer of the National Military Command System (NMCS).

The E–4 first entered service in 1974 and will approach the end of its service life in the 2020s. With the likely closing of the Boeing 747 production line (the only domestic line still producing large four engine jet aircraft) in the early 2020s it is important for the committee to understand the range of options under consideration for recapitalizing the critical E–4B capabilities, and whether sustaining those capabilities will require another large four engine jet or can be accomplished on a smaller twin-engine platform. In November 2015, the Chairman of the Joint Chiefs of Staff provided the congressional defense committees with an interim report on the status of a nuclear command and control (NC2) capabilities-based assessment (CBA) and a NMCS airborne fleet mission area analysis (MAA). The committee directs the Chairman of the Joint Chiefs of Staff to submit the final CBA and MAA reports to the congressional defense committees no later than September 30, 2016.

Ground Based Strategic Deterrent

The committee is concerned regarding progress towards a Milestone A certification for the Ground Based Strategic Deterrent (GBSD). However, the committee understands work in fiscal year

2017, specifically the request for proposal (RFP) for technology maturation and risk reduction activities (TMRR) and the associated contract award, scheduled for the third quarter of FY 2017, is in support of achieving program goals and objectives in reducing and retiring technological risk. Accordingly, the committee recommends full funding for the program.

Additionally, the committee appreciates and supports the expressed intention of the Air Force and the Department to obtain Milestone A certification in FY 2016. The committee believes it is important to achieve this goal and, therefore, directs the Secretary of Defense to provide a report to the Congressional Defense Committees no later than August 1, 2016, on progress in achieving Milestone A certification before the end of fiscal year 2016. The report should also include an assessment of the adequacy of the current staff levels at the relevant System Program Office (SPG).

Inclusion of the Army National Guard Cyber Protection Teams in the Department of Defense Cyber Mission Force

In 2016, the National Guard Bureau announced the establishment of ten Army National Guard Cyber Protection Teams (CPTs). The Army did not include these teams in the forces that the Army would provide for the Department of Defense Cyber Mission Force (CMF), while the Air Force did include its National Guard CPTs in its force presentation plans. However, the committee understands that the Army is quite close to a decision that these CPTs will become part of the overall Army CMF. The committee requests that the Commander of Army Cyber Command and the Chief of the National Guard Bureau determine, prior to conference on the National Defense Authorization Act for Fiscal Year 2017, how the Army National Guard CPTs will be incorporated into the CMF. This determination should include a timeline for integration, a description of the teams' mission sets, how they will be funded, when they will be trained and what additional authorities might be necessary to allow them to carry out Title 32 missions in support of state and civil operations. The committee was disappointed to see that training for these CPTs was not funded in the budget request for fiscal year 2017 and requests that appropriate steps be taken to fund the teams in fiscal year 2017 prior to conference.

Space situational awareness technologies

As space becomes more contested, there is a need for enhancing space situational awareness. It is critical that appropriate ground-based infrastructure is in place to monitor the condition, survivability, and actions of assets in space. The committee believes that having ground-based capability may also provide a credible layer of accountability for behavior in space.

However, most ground-based techniques require active illumination of assets in space and that doing so requires government-to-government agreement. The committee notes that an alternative in development, intensity interferometry, provides a passive technique that can be used to interrogate any geosynchronous object without illumination.

The committee is aware that the Department of Defense has already invested $66.1 million in developing a passive, ten-element intensity interferometer that will demonstrate significant image resolution in geosynchronous orbit. The committee believe a ground-based capability may be a cost-effective means to conduct mission surveillance of space assets, and that a proof-of-concept capability of intensity interferometer is necessary to demonstrate viability of the investment already incurred.

The committee therefore directs the department to provide a briefing to the defense committees by December 31, 2016 that explains the utility of passive techniques for space situational awareness such as intensity interferometry versus active illumination. The committee also directs the Department to provide in the briefing a plan on how it intends to establish a proof-of-concept capability for intensity interferometry.

Space system software review

Department of Defense (DOD) space systems are highly dependent on software to conduct or enable a wide range of functions, such as satellite command and control, mission management, data processing, and protecting communications from cyber attacks, among others. Unfortunately, DOD does not have a good track record in its efforts to acquire software-intensive space systems and information assurance and other cyber hardening requirements will continue to exacerbate the complexity and challenges going forward. Current examples include the Global Positioning System Next Generation Operational Control System (OCX) and the Joint Space Operations Center Mission System, both of which are space-related ground systems that have experienced significant development challenges leading to, in the case of OCX, cost increases of hundreds of millions of dollars and years of schedule delays. Prior examples include challenges with fixing the flight software for Space Based Infrared System satellites, also leading to poor cost and schedule results. Additionally, not having interdependent space-related segments in place at the right time—whether they are the satellites, ground systems, or user terminals—delays delivery of needed capabilities to the warfighter and wastes millions of dollars of investment in the form of opportunity costs for the segments that are fielded, but underutilized.

Therefore, the committee directs the U.S. Government Accountability Office to conduct a review of DOD software-intensive space system acquisition efforts to determine (1) the primary causes of software development challenges and the extent to which DOD has or is addressing them, and (2) how DOD's acquisition practices for software-intensive systems compare with industry best practices. The review should be provided in the form of a briefing to the congressional defense committees no later than March 31, 2017.

Strategic missile commonality

The committee notes that both ballistic missile legs of the nuclear Triad will require recapitalization in the coming decades to ensure their continued viability. The Air Force has recently started the Ground Based Strategic Deterrent (GBSD) program to replace the Minuteman III and the Navy will need to recapitalize the Tri-

dent II (D5) strategic weapon system in the longer-term. The committee supports the Department's efforts to incorporate common components and technologies to enhance affordability and risk reduction across both intercontinental ballistic missiles and submarine launched ballistic missiles.

The committee would like to understand how the Department is incorporating commonality into the acquisition strategy for GBSD. Therefore, the committee directs the Under Secretary of Defense for Acquisition, Technology and Logistics to brief the committee no later than August 1, 2016, on how options for GBSD components and sub-systems are being evaluated with the overall affordability of the Triad in mind. Specifically, the briefing should address how the Department is prioritizing development efforts that will jointly benefit the Air Force's GBSD program in the near-term and the Navy's recapitalization in the longer-term.

The importance and use of U.S. FAA licensed spaceports

The committee continues to recognize the unique importance of U.S. FAA licensed spaceports and when appropriate, encourages the use of such spaceports and launch and range complexes for mid- to low inclination orbits or polar high-inclination orbits in support of national security space priorities. The committee recognizes that these federally-licensed, non-federally owned launch facilities, including the Pacific Spaceport Complex—Alaska (PSCA), the Mid Atlantic Regional Spaceport (MARS), and Oklahoma Air & Space Port—are available to meet the requirements for the national security space program from the Department of Defense (DOD), Air Force Space Command, Operationally Responsive Space Office, and Missile Defense Agency.

The PCSA has supported numerous launches for Air Force Space Command including specific national security launches. It remains the only commercial polar launch range available in the United States. A state-of-the-industry spaceport on Kodiak Island, Alaska, PCSA provides access to space for vital government and commercial interests. The Mid Atlantic Regional Spaceport (MARS) at Wallops Island, Virginia provides medium-class and small-class launch capabilities for the Department. It has launched numerous missions for DOD with is agency partners, Air Force Space Command, ORS, and MDA. MARS provides assured/responsive access to mid-to-low inclination orbits for payloads up to 14,000 lbs. The Oklahoma Air & Space Port, near Bums Flat, Oklahoma, is the only space port in the United States to have a civilian FAA approved Space Flight Corridor in the National Airspace System. This Space Flight corridor is unique because it is not within Military Operating Areas or within restricted airspace, which provides an operational capability for space launch operations and associated industries specialized in space-related activities.

The committee believes that these three facilities can be used, when appropriate, to support the national security space program.

Training for cyber mission forces

The Secretary of Defense in fiscal year 2013 directed the standup of the Cyber Mission Forces (CMF) and provided funds for U.S. Cyber Command (CYBERCOM) and the service cyber components

to establish the teams and fund the training of personnel and units. The funding provided by the Secretary for training covered fiscal year 2013 to fiscal year 2016. During this period of central funding, the services, under the supervision of CYBERCOM, the Office of the Secretary of Defense, and the Joint Staff, were supposed to come to an agreement on a joint, federated training program funded by the services for training of the CMF. This federated training program was to be an equitable division of labor that avoided duplication and built on the expertise of each service. The committee is concerned that the services were not able to come to an agreement on a joint training program for the CMF for the budget submission for fiscal year 2017. The committee expects this issue to be resolved in the current budget planning cycle for fiscal year 2018, and expects to be kept informed of progress towards this goal in the coming months.

Weather imagery for U.S. Central Command

The committee is aware that the Department of Defense is facing a significant gap in weather information over the U.S. Central Command (CENTCOM) area of responsibility (AOR). The committee commends the Department for its coordination with European partners and the National Oceanic and Atmospheric Administration (NOAA) to ensure continuity of coverage for cloud characterization and theater weather imagery over the Indian Ocean. However, the committee is concerned that these are short-term solutions that will provide an estimated two to five years of weather imagery. Unless the Department takes near-term action to address impending gaps, the military may be left without critical information for strategic and tactical missions.

The committee understands the Department is considering multiple options to provide long-term coverage over the CENTCOM AOR, including both material and non-material solutions. In assessing non-material solutions, the committee urges the Department to prioritize operational support to combatant commanders, including maintaining the geographic area coverage, as well as the reliability and refresh rate of weather imagery. The committee notes there are multiple material solutions available, including purchasing an electro-optical/infrared (EO/IR) imager either directly under a firm, fixed price contract or from NOAA, and launching this sensor as a hosted payload on a communications satellite or on a Department of Defense infrared satellite system. The Department may also consider an alternative, commercial acquisition model where the Department does not bear the costs of ownership but instead purchases the required data.

The committee encourages the Department to fully consider all available options and directs the Secretary of Defense to submit to the congressional defense committees a strategy (material and non-material acquisition) for a persistent theater weather imagery capability to meet CENTCOM AOR weather data requirements. This strategy shall be submitted concurrent with the Fiscal Year 2018 budget request. Should the Department require Fiscal Year 2017 funds for the procurement of long lead items to support this strategy, the committee expects the Department to submit a reprogramming request.

DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS

Summary and explanation of funding tables

Division B of this Act authorizes funding for military construction projects of the Department of Defense (DOD). It includes funding authorizations for the construction and operation of military family housing as well as military construction for the reserve components, the defense agencies, and the North Atlantic Treaty Organization Security Investment Program. It also provides authorization for the base closure accounts that fund military construction, environmental cleanup, and other activities required to implement the decisions in base closure rounds.

The tables contained in this Act provide the project-level authorizations for the military construction funding authorized in Division B of this Act and summarize that funding by account.

The fiscal year 2017 budget requested $7.4 billion for military construction and housing programs. Of this amount, $6.1 billion was requested for military construction, $1.3 billion for the construction and operation of family housing, and $205.2 million for base closure activities.

The committee recommends authorization of appropriations for military construction, housing programs, and base closure activities totaling $7.4 billion. The total amount authorized for appropriations reflects the committee's continuing commitment to invest in the recapitalization of DOD facilities and infrastructure.

Short title (sec. 2001)

The committee recommends a provision that would designate division B of this Act as the "Military Construction Authorization Act for Fiscal Year 2017."

Expiration of authorizations and amounts required to be specified by law (sec. 2002)

The committee recommends a provision that would establish the expiration date for authorizations in this Act for military construction projects, land acquisition, family housing projects, and contributions to the North Atlantic Treaty Organization Security Investment Program as of October 1, 2019, or the date of enactment of an act authorizing funds for military construction for fiscal year 2020, whichever is later.

Effective date (sec. 2003)

The committee recommends a provision that would provide an effective date for titles XXI through XXVII of October 1, 2016 or the date of enactment of this Act.

TITLE XXI—ARMY MILITARY CONSTRUCTION

Summary

The budget request included authorization of appropriations of $522.4 million for military construction and $526.6 million for family housing for the Army for fiscal year 2017.

The committee recommends authorization of appropriations of $526.6 million for military construction and $460 million for family housing for fiscal year 2016.

The budget request included $33.0 million for a mass migration facility at Guantanamo Bay, Cuba. The committee recommends no funding for this project and applies the savings to higher priority unfunded military construction projects in fiscal year 2017.

Additionally, the committee recommends a reduction of $40.0 million from prior-year authorization of appropriations to reflect project cancellations and bid savings and applies such savings to high priority unfunded military construction projects in fiscal year 2017.

The committee recognizes that in difficult budget times military construction funding is often deferred in favor of other priorities and notes the Army has identified significant unfunded military construction priorities, including a company operations facility at Fort Gordon, Georgia. The committee notes that this project was identified as the top priority of the Chief of Staff of the Army. Funding for this project has been added as outlined in the tables in sections 2101 and 4601.

Authorized Army construction and land acquisition projects (sec. 2101)

The committee recommends a provision that would authorize military construction projects for the active component of the Army for fiscal year 2017. The authorized amounts are listed on an installation-by-installation basis.

Family housing (sec. 2102)

The committee recommends a provision that would authorize new construction, planning, and design of family housing units for the Army for fiscal year 2017. This provision would also authorize funds for facilities that support family housing, including housing management offices, housing maintenance, and storage facilities.

Authorization of appropriations, Army (sec. 2103)

The committee recommends a provision that would authorize appropriations for the active component military construction and family housing projects of the Army authorized for construction for fiscal year 2017. This provision would also provide an overall limit on the amount authorized for military construction and family

housing projects for the active component of the Army. The state list contained in this report is the binding list of the specific projects authorized at each location.

Modification of authority to carry out certain fiscal year 2014 project (sec. 2104)

The committee recommends a provision that would modify the authorization contained in section 2101(a) of the Military Construction Authorization Act for Fiscal Year 2014 (division B of Public Law 113–66) for construction of an aircraft maintenance hangar at Joint Base Lewis-McChord, Washington to include an aircraft washing apron.

Extension of authorization of certain fiscal year 2013 projects (sec. 2105)

The committee recommends a provision that would extend the authorization contained in section 2101 of the Military Construction Authorization Act for Fiscal Year 2013 (division B of Public Law 112–239) for two projects until October 1, 2017, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 2018, whichever is later.

Extension of authorization of certain fiscal year 2014 projects (sec. 2106)

The committee recommends a provision that would extend the authorization contained in section 2101 of the Military Construction Authorization Act for Fiscal Year 2014 (division B of Public Law 113–66) for three projects until October 1, 2017, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 2018, whichever is later.

TITLE XXII—NAVY MILITARY CONSTRUCTION

Summary

The budget request included authorization of appropriations of $1.1 billion for military construction and $394.9 million for family housing for the Department of the Navy for fiscal year 2017.

The committee recommends authorization of appropriations of $1.2 billion for military construction and $394.9 million for family housing for fiscal year 2017.

The budget request included $6.1 million for a microgrid in Balboa that would support non-essential functions. The committee does not recommend funding for this project.

The committee recognizes that in difficult budget times military construction funding is often deferred in favor of other priorities and notes the Navy has identified significant unfunded priorities for military construction including a parking apron to support the stationing of the F–35 at Miramar, California; a communications complex at Miramar, California; and the recapitalization of weapons magazines at Norfolk, Virginia. The committee notes that these projects were identified as top priorities of the Commandant of the Marine Corps and the Chief of Naval Operations. Funding for these projects has been authorized as outlined in the tables in sections 2201 and 4601.

Authorized Navy construction and land acquisition projects (sec. 2201)

The committee recommends a provision that would authorize Navy and Marine Corps military construction projects for fiscal year 2017. The authorized amounts are listed on an installation-by-installation basis.

Family housing (sec. 2202)

The committee recommends a provision that would authorize new construction, planning, and design of family housing units for the Navy for fiscal year 2017. This provision would also authorize funds for facilities that support family housing, including housing management offices, housing maintenance, and storage facilities.

Improvements to military family housing units (sec. 2203)

The committee recommends a provision that would authorize the Secretary of the Navy to improve existing family housing units of the Department of the Navy in an amount not to exceed $11.1 million.

Authorization of appropriations, Navy (sec. 2204)

The committee recommends a provision that would authorize appropriations for the active component military construction and

family housing projects of the Department of the Navy authorized for construction for fiscal year 2017. This provision would also provide an overall limit on the amount authorized for military construction and family housing projects for the active components of the Navy and the Marine Corps. The state list contained in this report is the binding list of the specific projects authorized at each location.

Modification of authority to carry out certain fiscal year 2014 project (sec. 2205)

The committee recommends a provision that would modify the authorization contained in section 2201 of the Military Construction Authorization Act for Fiscal Year 2014 (division B of Public Law 113–66) for construction of a water transmission line at Pearl City, Hawaii to include a 591-meter long, 16-inch diameter water transmission line as part of the network required to provide the main water supply to Joint Base Pearl Harbor-Hickam, Hawaii.

Extension of authorizations of certain fiscal year 2013 projects (sec. 2206)

The committee recommends a provision that would extend the authorization contained in section 2201 of the Military Construction Authorization Act for Fiscal Year 2013 (division B of Public Law 112–239), for various projects until October 1, 2017, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 2018, whichever is later.

Extension of authorizations of certain fiscal year 2014 projects (sec. 2207)

The committee recommends a provision that would modify the authorization contained in section 2201 of the Military Construction Authorization Act for Fiscal Year 2014 (division B of Public Law 113–66), for seven projects until October 1, 2017, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 2018, whichever is later.

TITLE XXIII—AIR FORCE MILITARY CONSTRUCTION

Summary

The budget request included authorization of appropriations of $1.6 billion for military construction and $335.1 million for family housing for the Air Force in fiscal year 2017.

The committee recommends authorization of appropriations of $1.6 billion for military construction and $335.1 million for family housing for fiscal year 2017.

Additionally, the committee recommends a decrease of $22.3 million from prior-year authorization of appropriations to reflect project cancellations and bid savings and applies such savings to high priority unfunded military construction projects in fiscal year 2017.

The committee recognizes that in difficult budget times military construction funding is often deferred in favor of other priorities and notes the Air Force has identified significant unfunded military construction priorities including an E3 mission and flight simulator at Tinker Air Force Base, and a consolidated communications center at Joint Base Andrews. The committee notes that these projects were identified as the top priorities of the Chief of Staff of the Air Force. Funding for these projects has been added as outlined in the tables in sections 2301 and 4601.

Authorized Air Force construction and land acquisition projects (sec. 2301)

The committee recommends a provision that would authorize Air Force military construction projects for fiscal year 2017. The authorized amounts are listed on an installation-by-installation basis.

Family housing (sec. 2302)

The committee recommends a provision that would authorize new construction, planning, and design of family housing units for the Air Force for fiscal year 2017. This provision would also authorize funds for facilities that support family housing, including housing management offices, housing maintenance, and storage facilities.

Improvements to military family housing units (sec. 2303)

The committee recommends a provision that would authorize the Secretary of the Air Force to improve existing family housing units of the Department of the Air Force in an amount not to exceed $150.7 million.

Authorization of appropriations, Air Force (sec. 2304)

The committee recommends a provision that would authorize appropriations for the active component military construction and family housing projects of the Air Force authorized for construction for fiscal year 2017. This provision would also provide an overall limit on the amount authorized for military construction and family housing projects for the active component of the Air Force. The state list contained in this report is the binding list of the specific projects authorized at each location.

Modification of authority to carry out certain fiscal year 2016 project (sec. 2305)

The committee recommends a provision that would modify the authorization contained in section 2301 of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92) for a tactical response force alert facility at Malstrom Air Force Base, Montana to include the construction of an emergency power generator system.

Extension of authorizations of certain fiscal year 2014 projects (sec. 2306)

The committee recommends a provision that would extend the authorization contained in section 2301 of the Military Construction Act for Fiscal Year 2014 (division B of Public Law 113–66) for various projects until October 1, 2017, or the date of the enactment of an act authorizing funds for military construction for fiscal year 2018, whichever is later.

TITLE XXIV—DEFENSE AGENCIES MILITARY CONSTRUCTION

Summary

The budget request included authorization of appropriations of $2.1 billion for military construction for the defense agencies and $59.2 million for family housing for the defense agencies for fiscal year 2017.

The committee recommends authorization of appropriations of $2.0 billion for military construction and 59.2 million for family housing for the defense agencies for fiscal year 2017.

The budget request included $12.1 million for upgrades to the Pentagon Metro Entrance. The committee does not recommend funding for this project.

The committee recognizes that in difficult budget times military construction funding is often deferred in favor of other priorities and notes the Department of Defense has identified significant unfunded military construction priorities including a battalion complex for the Special Operations Command. The committee notes that this project was identified as the top priority of the Commander of the Special Operations Command. Funding for this project has been added as outlined in the tables in sections 2401 and 4601.

Additionally, the committee recommends a decrease of $132.2 million from prior-year authorization of appropriations to reflect project cancellations and bid savings and applies such savings to high priority unfunded military construction projects in fiscal year 2017.

Authorized Defense Agencies construction and land acquisition projects (sec. 2401)

The committee recommends a provision that would authorize military construction projects for the defense agencies for fiscal year 2017. The authorized amounts are listed on an installation-by-installation basis.

Authorized energy conservation projects (sec. 2402)

The committee recommends a provision that would authorize the Secretary of Defense to carry out energy conservation projects. The authorized amounts are listed on an installation-by-installation basis.

Authorization of appropriations, Defense Agencies (sec. 2403)

The committee recommends a provision that would authorize appropriations for the military construction and family housing projects of the defense agencies authorized for construction for fis-

cal year 2017. This provision would also provide an overall limit on the amount authorized for military construction and family housing projects for the defense agencies. The state list contained in this report is the binding list of the specific projects authorized at each location.

Modification of authority to carry out certain fiscal year 2014 project (sec. 2404)

The committee recommends a provision that would modify the authority contained in section 2401 of the Military Construction Authorization Act for Fiscal Year 2014 (division B of Public Law 113–66) for the construction of a high school at Royal Air Force Base Lakenheath, United Kingdom to allow the construction of a combined middle/high school.

Extension of authorizations of certain fiscal year 2013 projects (sec. 2405)

The committee recommends a provision that would extend the authorization contained in section 2401 of the Military Construction Authorization Act for Fiscal Year 2013 (division B of Public Law 112–239) for two projects until October 1, 2017, or the date of the enactment of an act authorizing funds for military construction for fiscal year 2018, whichever is later.

Extension of authorizations of certain fiscal year 2014 projects (sec. 2406)

The committee recommends a provision that would extend the authorization contained in section 2401 of the Military Construction Authorization Act for Fiscal Year 2014 (division B of Public Law 113–66) for ten projects until October 1, 2017, or the date of enactment of an act authorizing funds for the military construction for fiscal year 2018, whichever is later.

TITLE XXV—INTERNATIONAL PROGRAMS

Summary

The Department of Defense requested authorization of appropriations of $177.9 million for military construction in fiscal year 2017 for the North Atlantic Treaty Organization (NATO) Security Investment Program. The committee recommends the requested amount.

Additionally, the committee recommends a decrease of $30.0 million from prior-year authorization of appropriations to reflect project cancellations and bid savings and applies such savings to high priority unfunded military construction projects in fiscal year 2017.

Subtitle A—North Atlantic Treaty Organization Security Investment Program

Authorized NATO construction and land acquisition projects (sec. 2501)

The committee recommends a provision that would authorize the Secretary of Defense to make contributions to the North Atlantic Treaty Organization Security Investment Program in an amount equal to the sum of the amount specifically authorized in section 2502 of this title and the amount of recoupment due to the United States for construction previously financed by the United States.

Authorization of appropriations, NATO (sec. 2502)

The committee recommends a provision that would authorize appropriations of $177.9 million for the U.S. contribution to the North Atlantic Treaty Organization Security Investment Program for fiscal year 2017.

Subtitle B—Host Country In-Kind Contributions

Republic of Korea funded construction projects (sec. 2511)

The committee recommends a provision that would authorize the Secretary of Defense to accept 19 military construction projects totaling $684.1 million from the Republic of Korea as in-kind contributions.

TITLE XXVI—GUARD AND RESERVE FORCES FACILITIES

Summary

The Department of Defense requested authorization of appropriations of $672.6 million for military construction in fiscal year 2017 for facilities for the National Guard and reserve components.

The committee recommends authorization of appropriations of $719.1 million for military construction in fiscal year 2017 for facilities for the National Guard and reserve components. The detailed funding recommendations are contained in the state list table included in this report.

The committee recognizes that in difficult budget times military construction funding is often deferred in favor of other priorities and notes the National Guard and Reserve forces have identified significant unfunded military construction priorities, including an Army Reserve Center in Phoenix, Arizona and a Guard Readiness Center at Fort Carson, Colorado. The committee notes that these projects were identified as the top unfunded priorities for the reserve forces by the Chief of Staff of the Army. Funding for these projects has been added as outlined in the tables in this title and section 4601.

Subtitle A—Project Authorizations and Authorizations of Appropriations

Authorized Army National Guard construction and land acquisition projects (sec. 2601)

The committee recommends a provision that would authorize military construction projects for the Army National Guard for fiscal year 2017. The authorized amounts are listed on an installation-by-installation basis.

Authorized Army Reserve construction and land acquisition projects (sec. 2602)

The committee recommends a provision that would authorize military construction projects for the Army Reserve for fiscal year 2017. The authorized amounts are listed on an installation-by-installation basis.

Authorized Navy Reserve and Marine Corps Reserve construction and land acquisition projects (sec. 2603)

The committee recommends a provision that would authorize military construction projects for the Navy Reserve and Marine Corps Reserve for fiscal year 2017. The authorized amounts are listed on an installation-by-installation basis.

Authorized Air National Guard construction and land acquisition projects (sec. 2604)

The committee recommends a provision that would authorize military construction projects for the Air National Guard for fiscal year 2017. The authorized amounts are listed on an installation-by-installation basis.

Authorized Air Force Reserve construction and land acquisition projects (sec. 2605)

The committee recommends a provision that would authorize military construction projects for the Air Force Reserve for fiscal year 2017. The authorized amounts are listed on an installation-by-installation basis.

Authorization of appropriations, National Guard and Reserve (sec. 2606)

The committee recommends a provision that would authorize appropriations for the reserve component military construction projects authorized for construction for fiscal year 2017 in this Act. This provision would also provide an overall limit on the amount authorized for military construction projects for each of the reserve components of the military departments. The state list contained in this report is the binding list of the specific projects authorized at each location.

Subtitle B—Other Matters

Modification of authority to carry out certain fiscal year 2014 project (sec. 2611)

The committee recommends a provision that would modify the authorization contained in section 2602 of the Military Construction Authorization Act for Fiscal Year 2014 (division B of Public Law 113–66) for construction of a new Army Reserve Center at Bullville, New York to allow the Secretary of the Army to add to or alter the existing Army Reserve Center at that location.

Modification of authority to carry out certain fiscal year 2015 project (sec. 2612)

The committee recommends a provision that would modify the authorizations contained in section 2603 of the Military Construction Authorization Act for Fiscal Year 2015 (division B of Public Law 113–291), for construction of a Reserve Training Center in Pittsburgh, Pennsylvania to allow the acquisition of approximately 8.5 acres of adjacent land necessary to construct road improvements and associated supporting facilities to provide required access to that site.

Extension of authorization of certain fiscal year 2013 project (sec. 2613)

The committee recommends a provision that would extend the authorization contained in section 2603 of the Military Construction Authorization Act for Fiscal Year 2013 (division B of Public Law 112–239) for one project until October 1, 2017, or the date of

the enactment of an act authorizing funds for military construction for fiscal year 2018, whichever is later.

Extension of authorization of certain fiscal year 2014 projects (sec. 2614)

The committee recommends a provision that would extend the authorization contained in sections 2602, 2603, 2604, and 2605 of the Military Construction Authorization Act for Fiscal Year 2014 (division B of Public Law 113–66) for six projects until October 1, 2017, or the date of the enactment of an act authorizing funds for military construction for fiscal year 2018, whichever is later.

TITLE XXVII—BASE REALIGNMENT AND CLOSURE ACTIVITIES

Summary and explanation of tables

The budget request included $205.2 million for the ongoing cost of environmental remediation and other activities necessary to continue implementation of the 1988, 1991, 1993, 1995, and 2005 Base Realignment and Closure rounds. The committee recommends this amount. The detailed funding recommendations are contained in the state list table included in this report.

Authorization of appropriations for base realignment and closure activities funded through Department of Defense Base Closure Account (sec. 2701)

The committee recommends a provision that would authorize appropriations for fiscal year 2017 for ongoing activities that are required to implement the decisions of the 1988, 1991, 1993, 1995, and 2005 Base Realignment and Closure rounds.

Prohibition on conducting additional base realignment and closure (BRAC) round (sec. 2702)

The committee recommends a provision that would make clear that nothing in this Act shall be construed to authorize a future Base Realignment and Closure (BRAC) round. Elsewhere in the Act, the committee recommends a reduction of $4.0 million for BRAC planning activities.

TITLE XXVIII—MILITARY CONSTRUCTION GENERAL PROVISIONS

Subtitle A—Military Construction Program and Military Family Housing Changes

Extension of temporary, limited authority to use operation and maintenance funds for construction projects in certain areas outside the United States (sec. 2801)

The committee recommends a provision that would reauthorize contingency construction authority in certain areas outside the United States for an additional year.

Limited authority for scope of work increase (sec. 2802)

The committee recommends a provision that would allow the Department of Defense to increase the scope of military construction projects by up to 10 percent above the amount authorized by Congress after notifying the appropriate congressional committees.

The committee notes the emerging requirements for power redundancy and other security requirements that have led to scope increases in recent years and believes that the additional flexibility will allow the Department to proceed with similar projects without requiring legislative changes.

Permanent authority for acceptance and use of contributions for certain construction, maintenance, and repair projects mutually beneficial to the Department of Defense and Kuwait Military Forces (sec. 2803)

The committee recommends a provision that would make permanent the authority to accept contributions from the Government of Kuwait for certain infrastructure projects that are mutually beneficial to the Department of Defense and Kuwait Military Forces.

Subtitle B—Real Property and Facilities Administration

Authority to carry out military construction projects for energy resiliency and security projects not previously authorized (sec. 2811)

The committee recommends a provision that would amend section 2914 of title 10, United States Code, by placing a higher funding priority on energy resiliency and security, in addition to conservation, within the energy conservation investment program.

The committee is concerned that the Department of Defense (DOD) is not adequately addressing national security threats and costs of electricity grid outages and failures as part of the electricity procurement process. The result is a DOD electricity procurement policy which favors the lowest-cost form of energy, but

does not include costs associated with energy resiliency capabilities, or the value of electricity to achieve mission assurance in the calculation for purchasing energy.

The committee recognizes the value of energy conservation and payback periods. However, the committee believes that DOD and the military services' ability to accomplish their missions through enhanced energy resiliency and security, ultimately should have a higher priority above conservation.

The committee believes the Department should place greater emphasis on energy resiliency projects to critical mission operations that can withstand threats from cyber, climate, and physical attacks through improved systems in energy generation, transmission, and distribution.

Additionally, the committee believes the Department should pursue life-cycle cost-effective energy resiliency solutions that provide mission assurance and prioritize critical energy loads of the installation beyond standby generators with potential solutions, including but not limited to cyber security, redundancy, micro-grids, distributed energy resources, islanded power plants, site security, demand response, renewable energy, diversified fuel sources, advanced metering, event detection, sensors, predictive analytics, automatic transfer switching, black-start capabilities, and electromagnetic pulse protection.

Authority of the Secretary concerned to accept lessee improvements at government-owned/contractor-operated industrial plants or facilities (sec. 2812)

The committee recommends a provision that would amend section 2535 of title 10, United States Code, to allow a service secretary to accept facility improvements of the leased plant or facility if necessary for the development or production of military weapon systems, munitions, components, or supplies. Upon completion of the improvement the Department of Defense would assume ownership.

Treatment of insured depository institutions operating on land leased from military installations (sec. 2813)

The committee recommends a provision that would amend section 2667 of title 10, United States Code, to authorize the Secretary concerned to treat all Federal or State chartered insured depository institutions to be treated equally with regard to certain financial arrangements.

The committee recognizes that certain Federal or State chartered insured depository institutions in good standing that have been selected to operate on military installations are able to do so with highly favorable lease terms given the value these institutions provide to service members. The committee agrees that these institutions should provide important benefits to service members, and this provision is intended to ensure that no Federal or State chartered insured depository institution is treated differently than another as a consequence of its organization type.

Subtitle C—Land Conveyances

Land acquisitions, Arlington County, Virginia (sec. 2821)

The committee recommends a provision that would authorize the Secretary of the Army to acquire by whatever means the Secretary determines is sufficient for the expansion of Arlington National Cemetery in order to maximize the number of interment sites and the compatible use of adjacent properties.

Land conveyance, Campion Air Force Radar Station, Galena, Alaska (sec. 2822)

The committee includes a provision that would authorize the Secretary of the Air Force to convey the former Campion Air Force station to the town of Galena, Alaska.

Land conveyances, High Frequency Active Auroral Research Program facility and adjacent property, Gakona, Alaska (sec. 2823)

The committee recommends a provision that would authorize the Secretary of the Air Force to convey a portion of the property that was used for the High Frequency Active Auroral Research Program near the Gulkana Village to the University of Alaska for consideration that the Secretary determines is appropriate. The provision would authorize the Secretary of the Air Force to convey another portion of the property, for consideration, the Ahtna Alaska Native Corporation from which the property was purchased by the Secretary.

Transfer of Fort Belvoir Mark Center Campus from the Secretary of the Army to the Secretary of Defense and applicability of certain provisions of law relating to the Pentagon Reservation (sec. 2824)

The committee recommends a provision that would transfer the administrative jurisdiction of the Fort Belvoir Mark Center, where the Washington Headquarters Service is located, from the Secretary of the Army to the Secretary of Defense.

Transfer of Administrative Jurisdictions, Navajo Army Depot, Arizona (sec. 2825)

The committee recommends a provision that would provide for the transfer of administrative jurisdiction of property at Navajo Army Depot, Arizona, to the Department of the Army for the purposes of continued military operations.

Subtitle D—Utah Land Withdrawals and Exchanges

Part I—Authorization for Temporary Closure of Certain Public Land Adjacent to the Utah Test and Training Range

Short title (sec. 2831)

The committee recommends a provision that would allow for the section to be cited as the "Utah Test and Training Range Encroachment Prevention and Temporary Closure Act".

Definitions (sec. 2832)

The committee recommends a provision that would provide for definitions for BLM Land, Secretary of the Interior, the State of Utah, and the Utah Test and Training Range.

Memorandum of agreement (sec. 2833)

The committee recommends a provision that would require the Secretary of the Air Force and the Secretary of the Interior to enter into a memorandum of agreement that authorizes the Secretary of the Air Force, in consultation with the Secretary of the Interior, to impose limited closures of specific Bureau of Land Management land for military operations and national security and public safety purposes at the Utah Test and Training Range.

Temporary closures (sec. 2834)

The committee recommends a provision that would allow the Secretary of the Air Force, in consultation with the Secretary of the Interior, to determine necessary temporary closures related to the military operations, public safety, or national security.

Liability (sec. 2835)

The committee recommends a provision that would hold harmless the United States, including all departments, agencies, officers, and employees and not be liable for any injury or damage to any individual or property suffered in the course of any mining, mineral, or geothermal activity, or any other authorized non defense-related activity conduction on BLM Land.

Community resource advisory group (sec. 2836)

The committee recommends a provision that would require the establishment of the Utah Test and Training Range Community Relations Advisory Group not later than 90 days after enactment of this Act.

Savings clauses (sec. 2837)

The committee recommends a provision that would outline the limitations of this act on current agreements.

Part II—Bureau of Land Management Land Exchange With State of Utah

Definitions (sec. 2841)

The committee recommends a provision that would define the terms Exchange Map, Federal Land, Non-Federal Land, Secretary, and State.

Exchange of federal land and non-federal land (sec. 2842)

The committee recommends a provision that would outline the manner in which the exchange of federal land and non-federal land would take place.

Status and management of non-federal land acquired by the United States (sec. 2843)

The committee recommends a provision that would stipulate the management of non-federal land acquired by the United States.

Hazardous materials (sec. 2844)

The committee recommends a provision that would stipulate the responsible party for any costs related to the cleanup of hazardous materials.

Subtitle E—Other Matters

Certification of optimal location for 4th and 5th generation combat aircraft basing and for rotation of forces at Naval Air Station El Centro or Marine Corps Air Station Kaneohe Bay (sec. 2851)

The committee recommends a provision that would prohibit the expenditure of any funds for the construction of hangars, housing, maintenance or related facilities to support any current or future F/A–18 or F–35 squadrons at Naval Air Station Lemoore until an analysis of operational requirements confirms that Naval Air Station Lemoore is the optimal location for those squadrons.

Replenishment of Sierra Vista Subwatershed regional aquifer, Arizona (sec. 2852)

The committee recommends a provision that would allow the Secretary of the Army or the Secretary of the Interior to enter into a cooperative agreement with the Cochise Conservation Recharge Network, Arizona, in support of efforts to replenish the regional aquifer identified under Section 321(g) of the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108–136).

Items of Special Interest

Concurrent use of repair and new construction

The committee recognizes that the Department of Defense laboratories represent a unique national security capability and believes that these laboratories should have maximum flexibility to use resources available to them to discharge their mission. In previous years, the Congress has permitted laboratories access to increased levels of minor military construction from funds available for operation and maintenance or from funds authorized to be made available under section 219(a) of the Duncan Hunter National Defense Authorization Act for Fiscal Year 2009 (Public Law 110–417).

The committee notes with concern that the infrastructure at many of these laboratories is prohibitively old and in need of serious repair and refurbishment. While the use of repair funds for new construction is not permitted, per section 2811(c) of title 10 United States Code, the committee understands that there is no legislative barrier to using military construction funds or funds available for minor military construction conjunctively or concurrently with repair funds for facility repair and refurbishment initiatives. Concurrent use of funds in this manner would ensure that

that the utilization of an existing facility can be cost effectively maintained, improved, and/or expanded by the partial addition of new construction.

The committee believes that this could significantly enhance the capability of repair and refurbishment efforts and provide a cost effective utilization of funds to improve existing older facilities for necessary state-of-the-art research work. In this regard, the committee directs the Department of Defense to maximize the use of these conjunctively-funded projects. In addition, the committee expects that the Department will keep the committee updated appropriately on its usage in improving the laboratories' infrastructure.

The committee also recognizes that while there are no legislative barriers to the use of funds conjunctively or concurrently in this manner, there may still exist policies or regulations that restrict such action. Consequently, the committee directs the Department to identify, with a view toward eliminating, any service or local policies, regulations, or restrictions that discourage or inhibit such conjunctive use of funds. The committee directs that this identification and elimination of policies, regulations, and restrictions be completed no later than 180 days after the enactment of this Act.

Cybersecurity risk to Department of Defense facilities

The committee finds that Department of Defense facilities are transitioning to smart buildings increasingly utilizing wireless controls for heating, ventilation and air conditioning, security systems, lighting, electrical power, fire alarms, elevators, visitor controls, cellular communications, Wi-Fi networks, first responder communications and other systems are increasing interconnected and online. This higher connectivity has increased the threat and vulnerability to cyber-attacks, particularly in ways existing DOD regulations were not designed to consider.

Therefore, the committee directs the Secretary of Defense to deliver to the congressional defense committees a report that: (1) Delineates the structural risks inherent in control systems and networks, and the potential consequences associated with a system compromise through a cyber event; (2) Assesses the current vulnerabilities to cyber attack initiated through Industrial Control Systems (ICS) at Department of Defense installations worldwide, for the purpose of determining risk mitigation actions for current and future implementation; (3) Proposes a common, Department-wide implementation plan to upgrade and improve the security of control systems and networks to mitigate identified risks; (4) Assesses the extent to which existing Department of Defense military construction directives, regulations, and instructions require the consideration of cybersecurity vulnerabilities and cyber risk in preconstruction design processes and requirements development processes for military construction projects; and (5) the capabilities of the Army Corps of Engineers, the Naval Facilities Engineering Command, the Air Force Civil Engineer Center, and other construction agents, as well as participating stakeholders, to identify and mitigate full-spectrum cyber-enabled risk to new facilities and major renovations.

For the purposes of this legislation, ICS include, but are not limited to, Supervisory Control and Data Acquisition Systems, Build-

ing Automation Systems Utility Monitoring and Energy Management and Control Systems.

Such report shall include an estimated budget for the implementation plan, and shall be delivered no later than 180 days after the date of the enactment of this Act.

Extension of the runway at Pope Army Airfield

The committee recognizes that Pope Army Airfield is a frequently-used airfield, including for the purposes of the Global Response Force (GRF). The mission of the GRF is to have units of the Army 18th Airborne Corps anywhere in the world within 48 hours' notice. The committee understands that the current length of Pope Army Airfield is 7,500 feet with 1,000 feet of hardened overruns, providing 8,500 feet for the take-off of aircraft. The committee notes that a C–17 aircraft at its maximum gross take-off weight requires 10,500 feet for take-off, while a C–5 aircraft requires 11,500 feet for take-off when loaded to its maximum gross take-off weight of 769,000 pounds. The committee understands that C–17 and C–5 aircraft cannot currently depart Pope Army Airfield fully fueled and with a full load of troops and require air refueling.

Accordingly, the committee directs the Secretary of the Army to submit a report to the congressional defense committees not later than 180 days after the date of the enactment of this Act. The report should include an analysis of the necessity of extending the runway at Pope Army Airfield, any operational impacts to not extending the runway, and a timeline for any plans to extend the runway.

Military Ocean Terminal, Concord infrastructure impacts on readiness

The committee recognizes the strategic importance of the Military Ocean Terminal, Concord (MOTCO) for the delivery of ammunition to the U.S. Pacific Command area of responsibility. The committee understands that no other facility on the west coast of the United States can meet the ammunition throughput capacity or net explosive weight limits of MOTCO. Although MOTCO can meet current mission requirements, significant infrastructure improvements are required to support operations, including a rebuild of Pier 2 in order to maintain operational readiness.

Due to the poor condition of critical, mission-related infrastructure, the committee commends the approximately $205.0 million in military construction and Sustainment, Restoration and Modernization funding that has been programmed by the Department. The committee understands that in addition to the $205.0 million, infrastructure projects will be required between fiscal year 2017 and fiscal year 2024 at an estimated cost of $122.0 million. The committee understands that these projects would directly support the operations (roads, bridges and dredging) in addition to a variety of safety, security, force protection, and utility projects which allow MOTCO to safely and securely conduct its mission. The committee also recognizes that MOTCO Pier 3 must be repaired and sustained to eliminate the potential for a capability gap, along with the timely rebuild of Pier 2 that is essential to preserve required ammunition resupply capability to the Pacific.

The committee strongly encourages the Department to continue to request the appropriate funding necessary to make infrastructure improvements to address years of deferred maintenance and repair at MOTCO.

Ordnance Plant recapitalization

The Committee notes the Department of Defense does not have a long-term strategic capital improvement plan in place to support its aging Ordnance Plants. These facilities are supporting a multitude of DoD urgent requirements, yet these activities will come to an abrupt halt if basic infrastructure needs, such as heating and cooling, safety, and environmental hazards, are not addressed in the near future. The Committee strongly encourages the Secretary of the Defense to develop a multi-year recapitalization plan for the Ordnance Plants, including the Industrial Reserve, that can be shared with the Committees of jurisdiction in advance of the next budget cycle, and include the required funds in future budget requests based on the most urgent needs identified.

Treatment of stormwater as wastewater

The committee notes that there has been some continued confusion about whether the definition of a utility system for the treatment of wastewater includes the treatment of stormwater.

The committee believes that section 2813 of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92) addresses this issue and that the treatment of wastewater includes the treatment of stormwater.

TITLE XXIX—OVERSEAS CONTINGENCY OPERATIONS MILITARY CONSTRUCTION

Authorized Navy construction and land acquisition projects (sec. 2901)

The committee recommends a provision that would authorize Navy and Marine Corps military construction projects for fiscal year 2017 for overseas contingency operations. The authorized amounts are listed on an installation-by-installation basis.

Authorized Air Force construction and land acquisition projects (sec. 2902)

The committee recommends a provision that would authorize Air Force military construction projects for fiscal year 2017 for overseas contingency operations. The authorized amounts are listed on an installation-by-installation basis.

Authorization of appropriations (sec. 2903)

The committee recommends a provision that would authorize appropriations for military construction in the overseas contingency operations account for fiscal year 2017.

DIVISION C—DEPARTMENT OF ENERGY NATIONAL SECURITY AUTHORIZATIONS AND OTHER AUTHORIZATIONS

TITLE XXXI—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

Overview

Title XXXI authorizes appropriations for atomic energy defense activities of the Department of Energy for fiscal year 2017, including: the purchase, construction, and acquisition of plant and capital equipment; research and development; nuclear weapons; naval nuclear propulsion; environmental restoration and waste management; operating expenses; and other expenses necessary to carry out the purposes of the Department of Energy Organization Act (Public Law 95–91). This title authorizes appropriations in three categories: (1) National Nuclear Security Administration (NNSA); (2) defense environmental cleanup; and (3) other defense activities.

The committee recommends a provision allocating funding consistent with the funding allocations in section 4701. The committee notes that recent actions taken at the Waste Isolation Plant (WIPP) and its projected initial operating date of December 2016, instead of the original March 2016 date, necessitate quarterly reporting to the congressional defense committees on actions taken towards bringing WIPP towards full operational status, including key milestones, status of any capital projects under Department of Energy (DOE) Order 413.1 as well as obligations and expenditures of fiscal year 2016 funding. Such reporting shall be due within 30 days of the quarter it is reporting for. The committee further requests the Government Accountability Office (GAO) review these quarterly updates and report to the congressional defense committees on significant findings and trends in the above tasks.

The committee further directs the GAO to continue its ongoing evaluation of the Hanford Waste Treatment Plant in the areas of cost-schedule performance, technology readiness levels, contractor assurance system, and other areas to be mutually agreed upon, with a briefing to the committee due no later than February 28, 2017.

Subtitle A—National Security Programs Authorizations

National Nuclear Security Administration (sec. 3101)

The committee recommends a provision that would authorize a total of $12.9 billion for the Department of Energy for fiscal year 2017 for the National Nuclear Security Administration to carry out programs necessary for national security.

Defense environmental clean-up (sec. 3102)

The committee recommends a provision that would authorize $5.3 billion for fiscal year 2017 defense environmental cleanup of contaminated facilities, soil, ground, and surface water and the treatment and disposal of radioactive and other waste generated through the production of nuclear weapons and weapons materials.

Other defense activities (sec. 3103)

The committee recommends a provision that would authorize $791.6 million for other defense activities for fiscal year 2017, including funds for health, safety, and security and the Office of Legacy Management and Nuclear Energy.

Nuclear energy (sec. 3104)

The committee recommends a provision that would authorize funds for the Department of Energy for fiscal year 2017 as specified in the funding table in section 4701.

Subtitle B—Program Authorizations, Restrictions, and Limitations

Common financial systems for the nuclear security enterprise (sec. 3111)

The committee is encouraged by recent steps the National Nuclear Security Administration (NNSA) has taken to implement common financial systems for the nuclear security enterprise, including establishing a program director for financial integration, but the committee remains concerned about the potential obstacles such improvement and integration of the financial systems may face, including the availability of resources, implementation of an effective information technology solution, and the development of a standardized reporting framework.

The committee recommends a provision that would require the Administrator of NNSA to complete implementation of a common financial system for the nuclear security enterprise no later than 3 years after the date of enactment of this Act. This common financial system should include, among other things, common data reporting requirements for work performed with NNSA funding; a common NNSA work breakdown structure that aligns to the NNSA budget structure; NNSA definitions and methodologies for identifying costs for programs of record and base capabilities; and a capability to use historical costing data with the Department of Defense's Defense Cost Analysis Resource Center.

The Administrator shall also submit to the congressional defense committees an annual report on progress towards implementing this common financial system. These reports shall be due by March 1 of each year, beginning March 1, 2017, and shall end after submission of the report in which the Administrator concludes that the common financial system has been fully implemented. These reports should include a summary of activities, accomplishments, and challenges associated with implementation of the common financial system in the prior year; a summary of planned activities for the upcoming year; and any expected modifications to the schedule for

implementing the common financial system, including an update on possible risks or challenges.

Industry best practices in operations at National Nuclear Security Administration facilities and sites (sec. 3112)

The committee recommends a provision that would require the National Nuclear Security Administration to review how to implement industry best practices at its sites consistent with maintaining or reducing risks and preserving and protecting health, safety, and security.

Limitation on acceleration of dismantlement of retired nuclear weapons (sec. 3113)

The committee notes that the fiscal year 2016 stockpile stewardship and management plan (SSMP) outlines a schedule and funding profile that will allow the elimination of nuclear weapons retired prior to fiscal year 2009 to be completed by fiscal year 2022, and the committee believes that this schedule establishes an appropriate rate for weapon dismantlement and disposition. The committee therefore recommends a provision that would limit the rate at which the National Nuclear Security Agency is authorized to dismantle weapons to the schedule and funding profile put forth in the fiscal year 2016 SSMP. This limit may be relaxed if the President certifies an exception exists based on (a) a need to meet certain treaty obligations or (b) a need to obtain critical components from retired weapons that cannot be reasonably acquired through other means for use in support of life extension, weapon alteration, or weapon modification programs as described in the fiscal year 2016 SSMP.

Contract for Mixed-Oxide Fuel Fabrication Facility construction project (sec. 3114)

The committee recommends a provision that would require the Secretary of Energy (Secretary) to enter into an arrangement with the Chief of Engineers (Chief) to act as an owner's agent for the Department of Energy (Department) with respect to its Mixed-Oxide Fuel Fabrication Facility (MFFF) construction project. Due to ongoing management problems with the MFFF project, increasing cost and schedule estimates, and increasingly heated disagreements between the Department and its MFFF contractor over the status of construction and the expected final costs, the committee lacks confidence that the current management and contractual structure of the project provides reasonable assurance that the Department and the MFFF contractor will be able to complete the project at a cost, or in a timeframe, acceptable to the committee.

Therefore, no later than 30 days after the enactment of this act, the Secretary shall enter into an arrangement with the Chief to obtain owner's agent support. Under this arrangement, the Chief shall assess the contractual, technical, and managerial risks associated with the MFFF. The Chief shall furthermore assess the existing MFFF contract and determine what elements of that contract may reasonably be changed to a fixed price provision, a fixed price incentive fee provision, or a similar contractual provision that would minimize risk and cost associated with the MFFF. As part

of the MFFF contract assessment, for each contract element that may reasonably be changed, the Chief shall assess any damage fees that may be incurred by such a change as well as the milestone, cost, and schedule changes that would occur.

The Chief shall furthermore use these assessment to make recommendations to the Secretary on a set of changes to the MFFF contract that would reduce risk and cost to the Department while preserving an overall contract with terms that are fair and reasonable. For elements of the contract that the Chief does not recommend changing to a fixed price, fixed price incentive fee, or similar, provision, the Chief shall assess the risks and costs associated with that element along with a description of why that contract element should not be changed to another provision type.

In carrying out work as the owner's agent under this arrangement, the Chief should, as appropriate, consult with the Secretary, the contractor, and other knowledgeable parties. No later than 30 days after entering into this arrangement, the Chief shall submit a report to the Secretary describing the assessments performed and the recommendations on changes to the MFFF contract.

The Secretary shall review the report provided by the Chief and shall work with the contractor on determining the feasibility of enacting the recommended changes to the contract. No later than 60 days after receiving the Chief's report, the Secretary shall provide to the congressional defense committees and the Comptroller General of the United State a copy of the report along with any comments the Secretary wishes to provide, a summary of correspondence with the contractor related to enacting the recommended changes, a determination of whether the contractor will agree to the recommended changes to the contract, and, if the contractor will not agree to such changes, a description of the reasons given for the contractor's decision.

The Comptroller General shall assess the actions taken by the Secretary in response to the Chief's report. The Comptroller General's assessment shall be submitted to the congressional defense committees no later than 30 days after receiving the items from the Secretary described in the previous paragraph.

The committee hopes that the work directed by this provision will repair the working relationship between the Department and the MFFF contractor while providing better cost and schedule control by converting as much of the contract as possible to a fixed price (or similar) structure. However, we acknowledge that this effort may not succeed for a variety of reasons. The committee therefore expects the Department to also continue its analysis of alternative options for carrying out the plutonium disposition program, including the downblending or dilute and dispose option and other options as appropriate. Despite direction in the report accompanying the Fiscal Year 2016 National Defense Authorization Act (Public Law 114–92), we note several questions related to alternative options remain unresolved. We therefore expect to receive more detailed information on these options.

Unavailability for general and administrative overhead costs of amounts specified for certain laboratories for laboratory-directed research and development (sec. 3115)

The committee recommends a provision that would remove the overhead burden on National Nuclear Security Administration (NNSA) laboratories for Laboratory Directed Research and Development (LDRD). These funds, which come from amounts set aside of up to 7 percent of all laboratory research, are highly sought after in internal laboratory competitions each year. The ideas that are funded become the seed corn for further innovation throughout the weapons cycle, including new computer codes to model the weapons, new component designs, and experimental apparatus. The funds are used to attract the best and brightest post-doctoral students to the laboratories who later move on to senior positions as weapons designers. Numerous scientific awards are generated each year from the research on these programs. Prestigious studies advocate for the importance of retaining the LDRD program. The Commission on the Review of the Effectiveness of the National Energy Laboratories noted that since the funds come from amounts set aside on existing research programs, administering the overhead burden on the LDRD program lessens the buying power of these highly sought after funds and, in effect, is a double tax. This provision would limit the overhead burden on the LDRD program.

Increase in certain limitations applicable to funds for conceptual and construction design of the Department of Energy (sec. 3116)

The committee recommends a provision that would update older statutory ceilings for construction design that require authorization.

Subtitle C—Plans and Reports

Estimate of total life cycle cost of tank waste cleanup at Hanford Reservation (sec. 3121)

Uncertainty surrounding the Department of Energy's (DOE) overall tank waste cleanup schedule adds doubt to the reliability of its life-cycle cost estimates. Cleanup costs stem directly from cleanup duration, and lengthening of the cleanup duration can lead to significant cost increases. According to present Tri-Party Agreement milestones, DOE is required to complete cleanup by 2047. In recent years, however, DOE's estimate of when it expects to complete tank waste cleanup and treatment has shifted repeatedly, and the completion date is at risk of sliding 5 to 10 years or more into the future.

The committee requires DOE's Office of Environmental Management to provide a rough order-of-magnitude estimate of the total lifecycle cost of the Waste Treatment and Immobilization Plant (WTP) project and tank waste management and treatment operations within one year of enactment of this Act. This lifecycle cost estimate shall include estimates for the following:

(A) The Waste Treatment and Immobilization Plant, assuming full startup and commissioning in 2036;

(B) Operations of the Waste Treatment and Immobilization Plant for two scenarios, assuming operations continue to 2047 and assuming operations continue to 2057; and

(C) Tank waste management and treatment operations for two scenarios, assuming operations continue through 2047 and assuming operations continue through 2057.

The lifecycle cost estimate shall also consider the following possibilities and their effects on the cost estimates described above:

(A) Anticipated increases in the volume of tank waste;

(B) Construction of a second, supplemental low-activity waste treatment facility;

(C) The effects of extending the schedule for cleanup of tank waste at Hanford Reservation from 2047 to 2057;

(D) High-level waste canister temporary storage, transportation, and permanent disposal; and

(E) Construction of any additional facilities that may be needed to treat tank waste at Hanford Reservation.

This lifecycle cost estimate shall be developed in accordance with the cost estimating best practices of the Government Accountability Office.

Analysis of approaches for supplemental treatment of low-activity waste at Hanford Nuclear Reservation (sec. 3122)

The committee recommends a provision that would require the Secretary of Energy to enter into an agreement with a federally funded research and development center (FFRDC) to conduct an analysis of supplemental waste treatment options at the Hanford site. The Secretary would also enter into an agreement with the National Academies of Sciences, Engineering, and Medicine to conduct a peer review of the FFRDC analysis. This peer review should review key methodology approaches selected by the analysis team and any key findings (1) early in the analysis, (2) periodically during the analysis as appropriate, and (3) upon completion of the analysis, such that findings by the Academies' peer review may inform and improve the analysis. This analysis shall assess options for supplemental treatment of low-activity waste. At a minimum, the options shall include vitrification, grouting, and steam reforming, and the further processing to remove long-lived waste constituents such as technetium-99. The analysis shall use risk assessment practices such as probabilistic risk assessment, per section 3161 of the National Defense Authorization Act for Fiscal Year 2013 (Public Law 112–239), and shall identify risks, benefits, life-cycle costs, schedules, regulatory compliance, and other factors that may inhibit the ability of the Department to pursue each option. This analysis, the peer review results, and any comments from the Department of Energy shall be due to the congressional defense committees no later than 2 years after the enactment of this Act, and a briefing on the progress of this analysis should be provided to the committees every 6 months after the date of enactment.

The Waste Treatment and Immobilization Plant (WTP), itself a complex construction project that continues to face technical and management challenges, is only currently intended to immobilize, by vitrification, approximately a third of the low-activity waste

(LAW) in the Hanford tank farms. The remaining two-thirds of the LAW would need to be treated with a supplemental treatment approach, and the Department of Energy (DOE) has not yet finalized its preferred supplemental treatment approach for this waste. In a 2013 Record of Decision, the Department stated that it believed it is beneficial to study further the potential cost, safety, and environmental performance of supplemental treatment technologies.

The committee is concerned that the Department may not use an adequately risk-informed process to select a preferred supplemental treatment approach, as suggested by findings by the National Academy of Science and by a DOE-commissioned committee. These groups reported that the Department does not utilize a sufficiently risk-informed approach for supporting decisions about waste disposal. Similarly, for decades the Government Accountability Office (GAO) has found that DOE has not set cleanup priorities based on systematic evaluation of risks and, in some cases, lacks comprehensive risk information. These reports generally noted that, by not using risk-informed approaches, the Department's cleanup efforts may not be executed efficiently and may prioritize lower-risk activities over higher-risk activities. However, the committee is encouraged that one example of a risk-informed cleanup approach shows that there is the potential for cost savings. At the Savannah River Site, the Department used a risk-based approach to identify LAW that could be treated using grout, rather than vitrification. The Department estimated that this approach avoided a cost increase of several tens of billions of dollars while still meeting clean-up obligations.

To provide further study of supplemental treatment technologies, and to support and to provide the basis for a risk-informed decision on the supplemental treatment approach at Hanford, the Department's analysis shall consider, in addition to other approaches the Department may decide to include, four waste treatment approaches, including vitrification using an expanded WTP and three approaches with supplemental facilities using bulk vitrification, grouting, and steam reforming, and the analysis should incorporate knowledge gained through waste treatment activities across the Department's sites and internationally over the last several decades. In addition to considering these waste treatment approaches, the analysis should consider the processing of the supplemental LAW to remove long-lived radioactive constituents such as technetium-99 and iodine-129. Because some waste forms have been found to be relatively poor for retaining these isotopes, it is important to consider the potential benefit of removing them prior to LAW treatment. The committee expects the analysis to include these approaches independent of current regulatory or legal restrictions or authorizations.

For each approach the analysis shall use state-of-the-art probabilistic risk assessment techniques to estimate risks to the environment and to human health, during processing and during disposal, to on-site workers, and to off-site populations. It should also consider major programmatic risks each approach may face. The analysis should develop cost and schedule ranges using best practices when possible, and should clearly establish and identify estimates and uncertainties when needed. The potential relative bene-

fits of each approach should be considered, both with respect to efficiency and with respect to disposition approaches. The compliance of each approach with applicable standards and regulations should be considered, and the analysis should include potential means by which an approach can be modified and brought into full compliance if needed. Finally, the analysis shall consider what factors might inhibit the Department in pursuing each approach and, where possible, identify and assess potential means to address these factors.

Analyses of options for disposal of high-level radioactive waste (sec. 3123)

The committee is concerned about the Department of Energy's (DOE) announcement in March 2015 that the Department will pursue development of a separate defense high-level waste repository without conducting a total life-cycle cost estimate or assessing and quantifying the benefits and risks of the Department's plan.

In a common repository commercial radioactive waste, in the form of spent nuclear fuel, is stored together with defense high-level radioactive waste. The Department's separate defense waste repository approach, however, would require construction of two repositories—one to store defense high-level radioactive waste and another to store commercial spent nuclear fuel. At this time, the Department has only produced cost estimates for this separate defense waste repository approach that are highly uncertain and do not include full life cycle costs. Even with these uncertain and incomplete cost estimates, DOE's analysis indicates that the defense waste repository plan would potentially have higher total costs than a single common repository, in large part because of the need to construct two repositories, as well as higher costs to be funded by discretionary defense funds. These estimates were provided in the Department's October 2014 report, Assessment of Disposal Options for DOE-Managed High-Level Radioactive Waste and Spent Nuclear Fuel.

In addition, in this report, DOE makes certain assumptions about the likelihood that its separate defense waste repository approach would succeed, but it does not provide evidence for these assumptions. For example, DOE assumes that it could more easily find a community to host a defense waste repository than a common repository because of the lower radiation and heat levels of the defense waste, but it provides no evidence that this would be the case. Moreover, DOE has not assessed what the risks might be in trying to develop two repositories concurrently, such as resource constraints or the effect of adverse public reaction of one repository effort on the other repository.

In this budget constrained environment, the committee expects the Department to (1) develop and provide to the committee more definitive cost and schedule estimates for the options it considered in the Department's October 2014 report, and (2) assess the benefits and risks of these options before it further pursues a separate defense waste repository. Therefore, the committee recommends a provision that would require the Secretary of Energy to enter into an arrangement with a federally funded research and development center to conduct analyses of options referenced in the Depart-

ment's October 2014 report. These analyses shall include comprehensive system life cycle cost and schedule estimates conducted using Government Accountability Office (GAO) best practices and covering all phases of work, from site selection and characterization to site closure and monitoring. These analyses should also include benefit and risk assessments. In addition to comparing the costs and schedules for the options referenced in the Department's October 2014 report, the committee suggests that a comparison to Yucca Mountain cost and schedule estimates be included, as a license application is still pending review by the Nuclear Regulatory Commission for that common repository.

The benefit and risk assessments for each option should use sensitivity analysis and other techniques, as appropriate, to determine potential effects on the cost and schedule estimates for each option. These assessments should, among other things, consider technical benefits and risks, the effects one repository's development may have on a second repository's development, and the social/political factors inherent in selecting the site of a repository, particularly because social/political opposition has consistently been the most significant challenge to siting a permanent disposal facility, as the Blue Ribbon Commission on America's Nuclear Future and the GAO, among others, have reported. The assessments should also take into account potential adverse effects on temporary and permanent disposition efforts related to non-DOE-managed high-level radioactive waste and spent nuclear fuel.

The federally funded research and development center's analyses and any Department comments on the analyses shall be provided to the congressional defense committees and to the Comptroller General of the United States no later than a year after enactment of this Act. Within 60 days of receipt of the analyses, the Government Accountability Office shall provide a review of the design, methodology, and conclusions of the analyses to the defense committees.

The Department shall not obligate or expend any discretionary defense funds on the development of a separate defense waste repository, except as needed to execute this arrangement, until the GAO review has been provided to the committees.

GAO shall also periodically review the Department's activities related to spent fuel management, repository siting, and development of a consent-based siting program. GAO shall provide annual reports to the congressional defense committees on the Department's expenditures and grants related to these activities, in particular for those activities that could be interpreted as lobbying by grantees under applicable statutes. These annual reports shall be due to the committees no later than February 1 of each year, beginning February 1, 2017, and ending February 1, 2021.

Elimination of duplication in reviews by the Comptroller General of the United States (sec. 3124)

The committee recommends a provision that would eliminate duplicate reviews of the National Nuclear Security Administration's budget.

Repeal of requirement for Comptroller General of the United States report on the program on scientific engagement for nonproliferation (sec. 3125)

The committee recommends a provision that would repeal a reporting requirement by the Comptroller General as the underlying program has been terminated.

Budget Items

Environmental management at Los Alamos National Laboratory

The fiscal year 2017 budget request included $185.6 million for environmental management at Los Alamos National Laboratory. The committee proposes an increase of $10.0 million to accelerate cleanup activities.

Stockpile Responsiveness Program

The fiscal year 2017 budget request contained no funding for section 3112 of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92) "Stockpile Responsiveness Program." The committee recommends an increase of $5.0 million for this effort. The committee notes that the scientific personnel and expertise in weapons design at the laboratories is an equally important element of deterrence as the platforms that carry the weapon. This program is designed to exercise that expertise.

Defense uranium enrichment decontamination and decommissioning

The committee notes that a legislative assumption accompanies the budget request of $155.0 million for the uranium enrichment decontamination and decommissioning fund, to reauthorize section 1101 of the Energy Policy Act of 2002 (P.L. 102–48) for industry contributions. As in fiscal year 2016, this legislation was not reauthorized, and the committee assumes it will not be reauthorized again this year. Accordingly, the committee recommends redistributing the $155.0 million associated with this assumption to other higher priority needs in the Department.

Waste Isolation Pilot Plant

The fiscal year 2017 budget request included $257.2 million for the Waste Isolation Pilot Plant. The committee recommends an increase of $10.0 million to operations in order to accelerate reconstitution activities from the fire and drum explosion in order to meet an initial operating date of December 31, 2016.

Weapons dismantlement and disposition

The committee notes the provision limiting the acceleration of the dismantlement of retired nuclear weapons in title 31, subtitle b of this Act. The committee, therefore, recommends a decrease of $12.7 million for the weapons dismantlement and disposition effort. Based on the fiscal year 2016 Stockpile Stewardship and Management Plan, adjusted for 1 year of inflation and with the addition of $7.0 million to support the lithium strategy, the resulting authorized level of $56.2 million for fiscal year 2017 will provide the

necessary support to allow the elimination of weapons retired prior to fiscal year 2009 to be completed by fiscal year 2022.

MOX Fuel Fabrication Facility

The budget request for the National Nuclear Security Administration (NNSA) contained $270.0 million in Nonproliferation Construction for the MOX Fuel Fabrication Facility (MFFF). According to the budget request, this funding is for activities in support of a decision to terminate the MFFF project in fiscal year 2017. Outyear funding for the Nonproliferation Construction program will total $884.0 million for fiscal year 2018 through fiscal year 2021.

The committee is disappointed in the progress made on MFFF, despite repeated concerns regarding its cost and management by Congress, the Government Accountability Office, and other independent groups. The Department's failure to provide an updated performance baseline for MFFF as directed in the National Defense Authorization Act (NDAA) for Fiscal Year 2016 is particularly troubling. Meanwhile, the committee is concerned about the lack of specificity in the proposed dilute and disposal alternative despite direction to address several aspects of this approach in report language accompanying the Senate passed version of the Fiscal Year 2016 NDAA.

In light of the failure of the Department of Energy to substantiate the viability of its alternative to MFFF, the committee recommends an additional $70.0 million in Nonproliferation Construction for the MFFF and directs the Department of Energy to continue construction. Additional measures pertaining to MFFF are contained in Title 31 of this Act.

Items of Special Interest

Comptroller General review of the National Nuclear Security Administration's depleted uranium management program

Depleted uranium is used in component manufacturing operations in the National Nuclear Security Administration (NNSA). Until recently the existing life extension programs did not have a need to use depleted uranium. Recent life extension programs now are requiring a re-start of this manufacturing operation. Many of the skills associated with depleted uranium science, engineering, and manufacturing were lost with personnel attrition in the 1990s. The committee directs the Comptroller General of the United States to assess the ability of the NNSA to plan, procure, and stockpile the material, as well as perform engineering and manufacturing operations with it in support of upcoming life extension programs, in compliance with applicable program management orders (including Department of Energy order 413) and cost estimation practices, and whether such a re-start will be properly timed to support these life extension program need dates. The GAO will brief its findings on this re-start effort with periodic updates upon a mutually agreed upon schedule with the committee.

Long term planning for H-Canyon

The H-Canyon facility at the Savannah River Site, while providing a unique capability for the United States and the Department of Energy (DOE), is aging. H-Canyon began operations in 1955, when it provided chemical separations capabilities for nuclear materials in support of defense programs. Since then it has been an asset for other DOE activities, including the safe disposition of nuclear materials by down blending enriched uranium and supporting plutonium disposition. More recently H-Canyon is expected to provide feed material for the Mixed Oxide Fuel Fabrication Facility (MFFF), currently under construction at the Savannah River Site. Because of the unique nature of H-Canyon, it may also be used to test new technologies for monitoring fuel cycle activities or for other research and development projects. While modifications and repairs allow H-Canyon to continue operations and provide flexibility in the facility's missions, the committee is concerned that the Department may not be fully utilizing this facility or may not have a comprehensive, integrated plan for managing the aging facility's maintenance, modification, and mission planning.

Therefore, the committee directs the Secretary of Energy to report to the congressional defense committees no later than February 24, 2017, on the Department's plans for the use of H-Canyon through fiscal year 2027. This report should reflect the relative needs and priorities between the DOE components that may use the H-Canyon capabilities, including, for example, the National Nuclear Security Administration's plutonium disposition or nonproliferation programs; Office of Environmental Management's cleanup of legacy materials; Office of Nuclear Energy's fuel cycle work; or potential lab-directed research activities. The report should also consider the maintenance needs of H-Canyon over this time frame as well as potential modifications or upgrades that may be needed to support Department missions, including for infrastructure supporting H-Canyon operations, such as evaporators or other tank farm facilities.

Management of the project design phase at the National Nuclear Security Administration

The Department of Energy's (DOE) National Nuclear Security Administration (NNSA) has struggled to manage most of its complex major capital asset construction projects. Among other challenges, NNSA has not had success in moving some of these projects out of the design phase and into construction.

In particular, since 2012, NNSA has cancelled the design of three major nuclear facilities in favor of new alternatives after spending more than a decade and hundreds of millions of dollars on the design of each of these facilities. In 2012, NNSA announced its decision to cancel the Pit Disassembly and Conversion Facility (PDCF) at its Savannah River Site after having spent 12 years and more than $730.0 million on the facility design. This facility was to operate in tandem with another planned major nuclear facility, the Mixed Oxide Fuel Fabrication Facility, as part of NNSA's Plutonium Disposition Program. In cancelling PDCF, NNSA explained that other alternatives had been identified that would better meet mission needs. Also in 2012, after spending 8 years and approxi-

mately $400.0 million in the design phase, NNSA announced that it was cancelling the design of its Uranium Processing Facility at its Y–12 complex in Oak Ridge in favor of a new facility design. Since 2012, NNSA has continued to work on the new design and estimates that it may spend more than $1.8 billion on designing this facility. Further, in 2014, after spending more than 10 years and $500.0 million on facility design, NNSA announced that it was cancelling another proposed major nuclear facility, the Chemistry and Metallurgy Research Replacement Facility at its Los Alamos laboratory, in favor of a revised approach.

In light of the amount of time and money spent on designing these facilities before cancelling them in favor of other options, these decisions raise significant questions regarding the process NNSA relies on to manage and oversee the design phase of these projects. The committee is concerned about a lack of proper oversight to ensure that projects do not languish in the design phase and to ensure that the need for these projects remains viable. To better understand the management approach used by NNSA during the project design phase, the committee directs the Government Accountability Office to investigate the following issues and provide a report to the committee by a mutually agreed upon date:

(1) How does NNSA plan and execute the project design phase for its capital asset projects prior to the start of the construction phase?

(2) What policies, guidance, and requirements, including those specified in DOE's project management order and associated guidance, does NNSA rely on for its contractors to efficiently manage the capital asset design phase, and what degree of oversight do NNSA officials conduct during this phase?

(3) What are the roles and responsibilities of NNSA staff, including the Federal Project Directors, during the design phase?

(4) What have been the results of any recent peer reviews that have been conducted on NNSA projects currently in the design phase?

Microlab implementation

The committee supports the continuing efforts at NNSA's laboratories to promote technology transfer and commercialization as a mission activity. The NNSA enterprise is responsible for over 50% of DOE's technology transfer activities. NNSA's facilities have special security requirements related to access and clearances that create unique challenges to the labs' collaboration with industry and academia.

As authorized in sec. 3120 of the NDAA for FY16, the committee is aware NNSA is currently developing "microlabs," including the Center for Collaboration and Commercialization (C3) and the Livermore Valley Open Campus (LVOC), to help create an environment that nurtures collaboration and entrepreneurship at the labs. These collaboration and commercialization campuses enhance mission delivery, cooperation with regional research groups, accelerate technology transfer to the marketplace and promote regional economic and workforce development. Additional benefits to NNSA include leveraging knowledge and resources to enhance mission capabilities while also promoting recruitment and retention of lab staff.

The committee urges NNSA to continue to support efforts to establish microlabs such as C3 and LVOC.

Plutonium strategy

The Department of Energy's (DOE) National Nuclear Security Administration (NNSA) is pursuing a revised strategy for its Chemistry and Metallurgy Research Replacement (CMRR) project after spending $500.0 million on the design of the original project and cancelling it in 2014. The revised project includes renovating two existing facilities at NNSA's Los Alamos site and installing plutonium research equipment to support the plutonium work conducted by NNSA and other DOE offices. NNSA is also pursuing the Proposed Modular Approach project to provide additional space for plutonium work at Los Alamos.

The committee is pleased that NNSA has adopted a strategy that maximizes the space within existing facilities and that it has adopted a modular approach to adding new lab space rather than the previous strategy that relied on a "big box" solution by trying to fit everything into one large monolithic structure. At the same time, the Committee is concerned that NNSA may still have not properly specified project requirements for both the CMRR and the Plutonium Modular Approach projects. In particular, NNSA has not specified in project documentation for either project the need to ramp up its nuclear warhead pit production capacity to achieve a production rate of 30 pits per year starting in 2026, and the need to increase that number to 50 to 80 pits by 2030. Without specifying this rate of production, the committee is concerned that NNSA cannot adequately identify the necessary amount of research equipment it needs to support pit production, where all this equipment will be located, and whether this equipment will be available when needed.

NNSA's current schedule for its revised CMRR project is not reliable because the schedule does not include most of the relevant work activities to complete the project and NNSA did not complete actions to determine whether the estimated completion dates are reasonable to achieve. As a result, NNSA cannot have confidence that it can meet its schedule estimates, including its commitment to move plutonium operations out of the aging Chemistry and Metallurgy Research building at Los Alamos by the end of 2019. More specifically, GAO reviewed the project schedule and found that the activities included in the schedule comprise just 10 percent of the total cost of the project. According to best practices, an agency should maintain a schedule that includes the entire scope of work required for a project's successful execution because, among other things, it provides a way to measure progress and identify potential problems in meeting milestones. NNSA officials said they limited the activities in the schedule to those already under contract because it allows them to focus attention on managing near-term performance, among other things. By creating and managing a limited schedule that includes contracted work through 2017, NNSA has little insight into how current performance affects future goals, including estimated completion dates.

To prevent further cost increases and schedule delays with these projects, the Committee directs NNSA to take the following actions

and report back to the congressional defense committees on the status of such actions no later than December 31, 2016:

(1) Update the program requirements document for the CMRR project to identify all relevant key performance parameters that the project is to meet, including the minimum and desired pit production levels that the project should support, and to clarify the extent to which the revised CMRR project will be able to adequately support pit production requirements of 30 pits per year starting in 2026, and 50 to 80 pits by 2030;

(2) Specify the key performance parameters for the Proposed Modular Approach project and clarify the extent to which the Proposed Modular Approach will include plutonium research equipment to support meeting pit production requirements;

(3) Objectively consider all alternatives without preference for a particular solution as it proceeds with the Proposed Modular Approach analysis of alternatives. Such steps could include clarifying the statement of mission need for the project so that it is independent of a particular solution and eliminating the statement that building two modular facilities is a specific requirement for the project; and

(4) Develop and maintain an integrated master schedule that includes all project activities under all subprojects prior to approving the first subproject's schedule baseline and that is consistent with scheduling best practices.

Report on future-year funding needs

The committee is concerned that future-year funding needs of the National Nuclear Security Administration (NNSA) for its weapons activities are not fully supported by the Office of Management and Budget or may exceed available funds. Specifically, recent reporting indicates the Secretary of Energy has voiced concerns about the NNSA budget, suggesting that an additional $5.2 billion would be needed over the 2018–2021 timeframe beyond what is included in future year information in the fiscal year 2017 budget request. Likewise, a December 2015 Government Accountability Office report noted that the Department's fiscal year 2016 weapons activities budget estimates for the fiscal year 2021 through fiscal year 2025 timeframe totaled $4.2 billion more than budget estimates provided by the President's Office of Management and Budget (OMB). The differences in future year funding, if not resolved, could result in budget instability, cut or deferred programs, costly program "stretchouts," and increased risk to the nation.

The committee therefore directs the Administrator of NNSA to prepare a report identifying and addressing the current and future-year differences between the Stockpile Stewardship and Management Plan and the long range budget estimates maintained by OMB. The report should provide a prioritized list of the programs and projects that will need to be cut or delayed if an additional $5.0 billion is not provided during fiscal years 2018 to 2021. The report should also provide a risk assessment for each program or project if this additional funding is not provided. This report should be provided to the congressional defense committees no later than February 28, 2017.

Report on high-level risks to the B61–12 Life extension program

It is critical that the B61–12 life extension program (LEP) begin production in 2020 and finish by 2024 in order to uphold the United States' commitments to the North Atlantic Treaty Organization's (NATO) nuclear deterrent. However, a recent Government Accountability Office report noted that the LEP schedule is constrained, which may prove challenging to the National Nuclear Security Administration (NNSA) and to Air Force risk management plans for the B61–12 LEP. In particular, the committee is concerned that high-level joint risks, so-called "red" joint risks, may affect later stages of the B61–12 LEP and adversely affect the United States' commitments to NATO. For example, one such risk is the compatibility of the B61–12 with the still-developing F–35 aircraft.

The committee directs the Administrator of the NNSA to provide a report on the status of high-level joint risks to the B61–12 LEP and the effect of these risks on the LEP schedule. This report shall be due to the congressional defense committees no later than February 24, 2017.

Report on interoperable warhead-1

The committee recognizes the critical need to maintain the readiness of scientists, engineers, and production staff during the delay of the start of work on Interoperable Warhead-1 (IW–1) until fiscal year 2020. One approach for maintaining staff readiness may be to challenge them to use the delay to address crucial technical issues facing the IW–1, the first interoperable nuclear package for use with both Air Force and Navy ballistic missile systems as part of the Nuclear Weapon Council's "3+2" approach. For example, integration of the IW–1 into different Air Force and Navy missiles with different space, weight, and operation requirements, while assuring accuracy in both systems, could be problematic. This and other concerns may also pertain to other life extension programs. For example, the general goal of enhancing the surety of stockpile systems increases technical challenges, as does optimizing system designs to best meet space, weight, operation, and accuracy requirements. Technical questions also surround pit reuse, which may become a key aspect of future life extension programs, as well as pit production capability and capacity issues.

The committee directs the Administrator of the National Nuclear Security Administration (NNSA) to report to the congressional defense committees no later than February 24, 2017 on anticipated technical challenges facing the IW–1 program, in particular any challenges that may arise related to staff readiness as a result of delaying the start of the IW–1 until fiscal year 2020 with a first production unit scheduled for fiscal year 2030. This report should include planned approaches for addressing these challenges and a notional schedule for addressing these challenges. In light of the recent National Academies of Sciences, Engineering, and Medicine report titled "Peer Review and Design Competition in the NNSA National Security Laboratories", the Administrator's report should also assess the value of establishing a design competition for the IW–1 as a means to help maintain staff readiness.

Responsive capabilities program

The committee directs the Administrator of the National Nuclear Security Administration (NNSA) to provide a report to the congressional defense committees describing how existing NNSA activities meet the requirements of the responsive capabilities program, as described in section 3112 of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92). The committee acknowledges that the requirements for the responsive capabilities program may be met, in part, through existing activities taking place within the NNSA. However, to ensure that existing activities are fully exercising the technical capabilities of the NNSA for all stages of the design, testing, and production of nuclear weapons, the Administrator shall prepare this report to compare existing NNSA activities to the requirements of the program.

In particular, this report should determine the degree to which existing activities meet the required program objectives, including (1) exercising all capabilities required to support all phases of the joint nuclear weapons life cycle process; (2) transferring knowledge and skills to the newer generations of nuclear weapon designers and engineers; (3) demonstrating stockpile responsiveness, including production of prototypes, development of flight ready hardware, flight testing or the use of appropriate simulated environments or concepts similar to those used by joint test demonstrations, and developing certification plans; (4) shortening design, certification, and manufacturing cycles; and (5) exercising the integration and coordination of elements and processes of the Administration and Department of Defense. The report should identify any gaps or shortcomings existing activities have in meeting the program goals and include a plan for addressing these gaps. The report shall be due to the congressional defense committees no later than February 1, 2017.

TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD

Authorization (sec. 3201)

The committee recommends a provision that would authorize funding for the Defense Facilities Nuclear Safety Board at $31.0 million consistent with the budget request.

TITLE XXXIII—FEDERAL AVIATION ADMINISTRATION THIRD CLASS MEDICAL REFORM AND GENERAL AVIATION PILOT PROTECTIONS

Short title (sec. 3301)

The committee recommends a provision that would allow for this section to be cited as the "Pilot's Bill of Rights 2".

Medical certification of certain small aircraft pilots (sec. 3302)

The committee recommends a provision that would create an exemption, under specified circumstances, to the Federal Aviation Administration's (FAA) current third-class airman medical certification requirements for general aviation (GA) pilots. This section would direct the FAA to issue or revise regulations to ensure that an individual may operate as a pilot of a "covered aircraft", if certain conditions are met, as articulated in the section.

Expansion of Pilot's Bill of Rights (sec. 3303)

The committee recommends a provision that would make several amendments to the Pilot's Bill of Rights (Public Law 112–153; 49 U.S.C. 44703 note), which allows individuals denied an airman certificate to appeal that denial to U.S. District Court after it has been upheld under the normal National Transportation Safety Boards appeals process. This section would expand the scope of that provision to allow individuals who have had their airman certificates suspended or revoked to avail themselves of the same appeals process, and would modify the standard of review for appeals in U.S. District Court to ensure a case is reviewed de novo.

Limitations on reexamination of certificate holders (sec. 3304)

The committee recommends a provision that would only apply to reexaminations that are ordered due to the fault of the Federal Aviation Administration (FAA). It would prohibit the FAA from reexamining a general aviation (GA) pilot holding a student, sport, recreational, or private pilot airman certificate unless the agency has reasonable grounds to: (1) establish a lack of qualification on the part of the pilot; or (2) demonstrate that the certificate was obtained through fraud or an exam that was inadequate. Before taking action to reexamine a pilot, the FAA would be required to provide a GA pilot the reasonable basis for the reexamination and relevant information that formed that basis.

Expediting updates to NOTAM program (sec. 3305)

The committee recommends a provision that would would amend the Pilot's Bill of Rights (Public Law 112–153) to require the NOTAM Improvement Program to be maintained in a public repository that is accessible on the Internet, machine readable, and searchable. It also would require the Federal Aviation Administration (FAA) to include temporary flight restrictions within the NOTAM Improvement Program. The FAA would be prohibited from enforcing NOTAM violations, within 180 days after the date of enactment of this bill, until the FAA certifies to Congress that it has implemented the changes to the NOTAM system required by this section; however, an exception for national security is provided.

Accessibility of certain flight data (sec. 3306)

The committee recommends a provision that would impose requirements on the Federal Aviation Administration (FAA) with regard to certain records related to certificate actions. Specifically, when the FAA receives a written request for a flight record (as defined in the Pilot's Bill of Rights, Public Law 1112–153) from an individual who is the subject of an investigation initiated by the FAA, and the covered flight record is not in the possession of the FAA, the Administrator would be required to request the relevant record from the contract tower or other contractor of the FAA that possesses such flight record.

Authority for legal counsel to issue certain notices (sec. 3307)

The committee recommends a provision that would require the Federal Aviation Administration to revise its regulations to authorize legal counsel to close certain enforcement actions with a warning notice, letter of corrections, or other administrative action.

TITLE XXXV—MARITIME ADMINISTRATION

Maritime Administration (sec. 3501)

The committee recommends a provision that would re-authorize certain aspects of the Maritime Administration.

National security floating dry docks (sec. 3502)

The committee recommends a provision that would change the date specified in section 55122(a)(1)(C) of title 46, United States Code, to December 19, 2017.

DIVISION D—FUNDING TABLES

Authorization of amounts in funding tables (sec. 4001)

The committee recommends a provision that would provide for the allocation of funds among programs, projects, and activities in accordance with the tables in division D of this Act, subject to reprogramming in accordance with established procedures.

Consistent with the previously expressed views of the committee, the provision would also require that decisions by an agency head to commit, obligate, or expend funds to a specific entity on the basis of such funding tables be based on authorized, transparent, statutory criteria, or merit-based selection procedures in accordance with the requirements of sections 2304(k) and 2374 of title 10, United States Code, and other applicable provisions of law.

SUMMARY OF NATIONAL DEFENSE AUTHORIZATIONS FOR FISCAL YEAR 2017

SUMMARY OF NATIONAL DEFENSE AUTHORIZATIONS FOR FISCAL YEAR 2017

(In Thousands of Dollars)

	FY 2017 Request	Senate Change	Senate Authorized
DISCRETIONARY AUTHORIZATIONS WITHIN THE JURISDICTION OF THE ARMED SERVICES COMMITTEE			
NATIONAL DEFENSE BASE BUDGET			
DEPARTMENT OF DEFENSE-MILITARY (BUDGET SUB-FUNCTION 051)			
DIVISION A: DEPARTMENT OF DEFENSE AUTHORIZATIONS			
TITLE I--PROCUREMENT			
AIRCRAFT PROCUREMENT, ARMY	3,614,787	26,000	3,640,787
MISSILE PROCUREMENT, ARMY	1,519,966	0	1,519,966
PROCUREMENT OF W&TCV, ARMY	2,265,177	129,000	2,394,177
PROCUREMENT OF AMMUNITION, ARMY	1,513,157	–27,700	1,485,457
OTHER PROCUREMENT, ARMY	5,873,949	–311,886	5,562,063
AIRCRAFT PROCUREMENT, NAVY	14,109,148	50,800	14,159,948
WEAPONS PROCUREMENT, NAVY	3,209,262	61,170	3,270,432
PROCUREMENT OF AMMO, NAVY & MC	664,368	–6,500	657,868
SHIPBUILDING AND CONVERSION, NAVY	18,354,874	71,800	18,426,674
OTHER PROCUREMENT, NAVY	6,338,861	69,800	6,408,661
PROCUREMENT, MARINE CORPS	1,362,769	0	1,362,769
AIRCRAFT PROCUREMENT, AIR FORCE	13,922,917	390,600	14,313,517
MISSILE PROCUREMENT, AIR FORCE	2,426,621	0	2,426,621
SPACE PROCUREMENT, AIR FORCE	3,055,743	0	3,055,743
PROCUREMENT OF AMMUNITION, AIR FORCE	1,677,719	0	1,677,719
OTHER PROCUREMENT, AIR FORCE	17,438,056	0	17,438,056
PROCUREMENT, DEFENSE-WIDE	4,524,918	10,300	4,535,218
JOINT URGENT OPERATIONAL NEEDS FUND	99,300	0	99,300
SUBTOTAL, TITLE I--PROCUREMENT	**101,971,592**	**463,384**	**102,434,976**
TITLE II--RESEARCH, DEVELOPMENT, TEST AND EVALUATION			
RESEARCH, DEVELOPMENT, TEST & EVAL, ARMY	7,515,399	–59,463	7,455,936
RESEARCH, DEVELOPMENT, TEST & EVAL, NAVY	17,276,301	–71,816	17,204,485
RESEARCH, DEVELOPMENT, TEST & EVAL, AF	28,112,251	–468,600	27,643,651
RESEARCH, DEVELOPMENT, TEST & EVAL, DW	18,308,826	431,300	18,740,126
OPERATIONAL TEST & EVAL, DEFENSE	178,994		178,994
UNDISTRIBUTED	0	4,000	4,000
SUBTOTAL, TITLE II--RESEARCH, DEVELOPMENT, TEST AND EVALUATION	**71,391,771**	**–164,579**	**71,227,192**
TITLE III--OPERATION AND MAINTENANCE			
OPERATION & MAINTENANCE, ARMY	33,809,040	225,820	34,034,860
OPERATION & MAINTENANCE, ARMY RES	2,712,331	67,800	2,780,131
OPERATION & MAINTENANCE, ARNG	6,825,370	163,600	6,988,970
OPERATION & MAINTENANCE, NAVY	39,483,581	–84,290	39,399,291

SUMMARY OF NATIONAL DEFENSE AUTHORIZATIONS FOR FISCAL YEAR 2017—Continued

(In Thousands of Dollars)

	FY 2017 Request	Senate Change	Senate Authorized
OPERATION & MAINTENANCE, MARINE CORPS	5,954,258	136,270	6,090,528
OPERATION & MAINTENANCE, NAVY RES	927,656	5,800	933,456
OPERATION & MAINTENANCE, MC RESERVE	270,633	5,500	276,133
OPERATION & MAINTENANCE, AIR FORCE	37,518,056	–86,610	37,431,446
OPERATION & MAINTENANCE, AF RESERVE	3,067,929	40,700	3,108,629
OPERATION & MAINTENANCE, ANG	6,703,578	57,200	6,760,778
OPERATION AND MAINTENANCE, DEFENSE-WIDE	32,571,590	–480,480	32,091,110
MISCELLANEOUS APPROPRIATIONS	1,474,466	0	1,474,466
UNDISTRIBUTED	0	20,000	20,000
SUBTOTAL, TITLE III--OPERATION AND MAINTENANCE	**171,318,488**	**71,310**	**171,389,798**
TITLE IV--MILITARY PERSONNEL			
Military Personnel Appropriations	128,902,332	–1,250,890	127,651,442
Medicare-Eligible Retiree Health Fund Contributions	6,366,908		6,366,908
SUBTOTAL, TITLE IV--MILITARY PERSONNEL	**135,269,240**	**–1,250,890**	**134,018,350**
TITLE XIV--OTHER AUTHORIZATIONS			
WORKING CAPITAL FUND	1,371,613	0	1,371,613
CHEM AGENTS & MUNITIONS DESTRUCTION	551,023	0	551,023
DRUG INTERDICTION & CTR-DRUG ACTIVITIES, DEF	844,800	–258,300	586,500
OFFICE OF THE INSPECTOR GENERAL	322,035	–7,300	314,735
DEFENSE HEALTH PROGRAM	33,467,516	433,530	33,901,046
SECURITY COOPERATION ENHANCEMENT FUND (SCEF)	0	673,100	673,100
SUBTOTAL, TITLE XIV--OTHER AUTHORIZATIONS	**36,556,987**	**841,030**	**37,398,017**
TOTAL, DIVISION A: DEPARTMENT OF DEFENSE AUTHORIZATIONS	**516,508,078**	**–39,745**	**516,468,333**
DIVISION B: MILITARY CONSTRUCTION AUTHORIZATIONS			
MILITARY CONSTRUCTION			
ARMY	503,459	–35,900	467,559
NAVY	1,027,763	95,517	1,123,280
AIR FORCE	1,481,058	53,700	1,534,758
DEFENSE-WIDE	2,056,091	–79,911	1,976,180
ARMY NATIONAL GUARD	232,930		232,930
AIR NATIONAL GUARD	143,957		143,957
ARMY RESERVE	68,230	30,000	98,230
NAVY RESERVE	38,597		38,597
AIR FORCE RESERVE	188,950		188,950
NATO SECURITY INVESTMENT PROGRAM	177,932	–30,000	147,932
SUBTOTAL, MILITARY CONSTRUCTION	**5,918,967**	**33,406**	**5,952,373**
FAMILY HOUSING			
CONSTRUCTION, ARMY	200,735		200,735
OPERATION AND MAINTENANCE, ARMY	325,995		325,995
CONSTRUCTION, NAVY AND MARINE CORPS	94,011		94,011
OPERATION AND MAINTENANCE, NAVY AND MARINE CORPS	300,915		300,915
CONSTRUCTION, AIR FORCE	61,352		61,352

SUMMARY OF NATIONAL DEFENSE AUTHORIZATIONS FOR FISCAL YEAR 2017—Continued

(In Thousands of Dollars)

	FY 2017 Request	Senate Change	Senate Authorized
OPERATION AND MAINTENANCE, AIR FORCE	274,429		274,429
OPERATION AND MAINTENANCE, DEFENSE-WIDE	59,157		59,157
IMPROVEMENT FUND	3,258		3,258
SUBTOTAL, FAMILY HOUSING	**1,319,852**	**0**	**1,319,852**
BASE REALIGNMENT AND CLOSURE			
ARMY	14,499		14,499
NAVY	134,373		134,373
AIR FORCE	56,365		56,365
SUBTOTAL, BASE REALIGNMENT AND CLOSURE	**205,237**	**0**	**205,237**
TOTAL, DIVISION B: MILITARY CONSTRUCTION AUTHORIZATIONS	**7,444,056**	**33,406**	**7,477,462**
TOTAL, DEPARTMENT OF DEFENSE-MILITARY (BUDGET SUB-FUNCTION 051)	**523,952,134**	**–6,339**	**523,945,795**
ATOMIC ENERGY DEFENSE ACTIVITIES (BUDGET SUB-FUNCTION 053)			
DIVISION C: DEPARTMENT OF ENERGY NATIONAL SECURITY AND INDEPENDENT FEDERAL AGENCY AUTHORIZATIONS			
DEPARTMENT OF ENERGY AUTHORIZATIONS			
ENERGY PROGRAMS			
NUCLEAR ENERGY	151,876		151,876
SUBTOTAL, ENERGY PROGRAMS	**151,876**	**0**	**151,876**
NATIONAL NUCLEAR SECURITY ADMINISTRATION			
WEAPONS ACTIVITIES	9,243,147	–7,750	9,235,397
DEFENSE NUCLEAR NONPROLIFERATION	1,807,916	70,000	1,877,916
NAVAL REACTORS	1,420,120		1,420,120
FEDERAL SALARIES AND EXPENSES	412,817		412,817
SUBTOTAL, NATIONAL NUCLEAR SECURITY ADMINISTRATION	**12,884,000**	**62,250**	**12,946,250**
ENVIRONMENTAL AND OTHER DEFENSE ACTIVITIES			
DEFENSE ENVIRONMENTAL CLEANUP	5,382,050	–135,100	5,246,950
OTHER DEFENSE ACTIVITIES	791,552		791,552
SUBTOTAL, ENVIRONMENTAL AND OTHER DEFENSE ACTIVITIES	**6,173,602**	**–135,100**	**6,038,502**
SUBTOTAL, DEPARTMENT OF ENERGY AUTHORIZATIONS	**19,209,478**	**–72,850**	**19,136,628**
INDEPENDENT FEDERAL AGENCY AUTHORIZATION			
DEFENSE FACILITIES NUCLEAR SAFETY BOARD	31,000		31,000
SUBTOTAL, INDEPENDENT FEDERAL AGENCY AUTHORIZATION	**31,000**	**0**	**31,000**
TOTAL, DIVISION C: DEPARTMENT OF ENERGY NATIONAL SECURITY AND INDEPENDENT FEDERAL AGENCY AUTHORIZATIONS	**19,240,478**	**–72,850**	**19,167,628**

SUMMARY OF NATIONAL DEFENSE AUTHORIZATIONS FOR FISCAL YEAR 2017—Continued

(In Thousands of Dollars)

	FY 2017 Request	Senate Change	Senate Authorized
ATOMIC ENERGY DEFENSE ACTIVITIES (BUDGET SUB-FUNCTION 053)	**19,240,478**	**–72,850**	**19,167,628**
TOTAL, NATIONAL DEFENSE FUNDING, BASE BUDGET REQUEST	**543,192,612**	**–79,189**	**543,113,423**
NATIONAL DEFENSE OCO BUDGET REQUEST			
DEPARTMENT OF DEFENSE-MILITARY (BUDGET SUB-FUNCTION 051)			
PROCUREMENT			
AIRCRAFT PROCUREMENT, ARMY	313,171		313,171
MISSILE PROCUREMENT, ARMY	632,817		632,817
PROCUREMENT OF W&TCV, ARMY	153,544		153,544
PROCUREMENT OF AMMUNITION, ARMY	301,523	–10,353	291,170
OTHER PROCUREMENT, ARMY	1,373,010		1,373,010
JOINT IMPR EXPLOSIVE DEV DEFEAT FUND	408,272		408,272
AIRCRAFT PROCUREMENT, NAVY	393,030		393,030
WEAPONS PROCUREMENT, NAVY	8,600		8,600
PROCUREMENT OF AMMO, NAVY & MC	66,229		66,229
OTHER PROCUREMENT, NAVY	124,206		124,206
PROCUREMENT, MARINE CORPS	118,939		118,939
AIRCRAFT PROCUREMENT, AIR FORCE	859,399		859,399
MISSILE PROCUREMENT, AIR FORCE	339,545		339,545
PROCUREMENT OF AMMUNITION, AIR FORCE	487,408		487,408
OTHER PROCUREMENT, AIR FORCE	3,696,281		3,696,281
PROCUREMENT, DEFENSE-WIDE	238,434		238,434
SUBTOTAL, PROCUREMENT	**9,514,408**	**–10,353**	**9,504,055**
RESEARCH, DEVELOPMENT, TEST AND EVALUATION			
RESEARCH, DEVELOPMENT, TEST & EVAL, ARMY	100,522		100,522
RESEARCH, DEVELOPMENT, TEST & EVAL, NAVY	78,323		78,323
RESEARCH, DEVELOPMENT, TEST & EVAL, AF	32,905		32,905
RESEARCH, DEVELOPMENT, TEST & EVAL, DW	162,419		162,419
SUBTOTAL, RESEARCH, DEVELOPMENT, TEST AND EVALUATION	**374,169**	**0**	**374,169**
OPERATION AND MAINTENANCE			
OPERATION & MAINTENANCE, ARMY	15,310,587		15,310,587
OPERATION & MAINTENANCE, ARMY RES	38,679		38,679
OPERATION & MAINTENANCE, ARNG	127,035		127,035
AFGHANISTAN SECURITY FORCES FUND	3,448,715		3,448,715
COUNTER ISLAMIC STATE IN IRAQ AND THE LEVANT FUND	630,000	630,000	1,260,000
SYRIA TRAIN AND EQUIP FUND	250,000	–250,000	0
OPERATION & MAINTENANCE, NAVY	6,827,391		6,827,391
OPERATION & MAINTENANCE, MARINE CORPS	1,244,359		1,244,359
OPERATION & MAINTENANCE, NAVY RES	26,265		26,265

SUMMARY OF NATIONAL DEFENSE AUTHORIZATIONS FOR FISCAL YEAR 2017—Continued

(In Thousands of Dollars)

	FY 2017 Request	Senate Change	Senate Authorized
OPERATION & MAINTENANCE, MC RESERVE	3,304		3,304
OPERATION & MAINTENANCE, AIR FORCE	9,498,830	2,900	9,501,730
OPERATION & MAINTENANCE, AF RESERVE	57,586		57,586
OPERATION & MAINTENANCE, ANG	20,000		20,000
OPERATION AND MAINTENANCE, DEFENSE-WIDE	5,982,173	–1,100,000	4,882,173
UKRAINE SECURITY ASSISTANCE INITIATIVE	0	350,000	350,000
SUBTOTAL, OPERATION AND MAINTENANCE	**43,464,924**	**–367,100**	**43,097,824**
MILITARY PERSONNEL			
MILITARY PERSONNEL APPROPRIATIONS	3,562,258		3,562,258
SUBTOTAL, MILITARY PERSONNEL	**3,562,258**	**0**	**3,562,258**
OTHER AUTHORIZATIONS			
WORKING CAPITAL FUND	140,633		2,500
DRUG INTERDICTION & CTR-DRUG ACTIVITIES, DEF	215,333		215,333
OFFICE OF THE INSPECTOR GENERAL	22,062		22,062
DEFENSE HEALTH PROGRAM	331,764		331,764
COUNTERTERRORISM PARTNERSHIPS FUND	1,000,000	–1,000,000	0
UKRAINE SECURITY ASSISTANCE INITIATIVE	0	1,470,000	1,470,000
SUBTOTAL, OTHER AUTHORIZATIONS	**1,709,792**	**470,000**	**2,179,792**
MILITARY CONSTRUCTION			
ARMY	18,900		18,900
NAVY	59,809		59,809
AIR FORCE	88,740		88,740
DEFENSE-WIDE	5,000		5,000
SUBTOTAL, MILITARY CONSTRUCTION	**172,449**	**0**	**172,449**
TOTAL, NATIONAL DEFENSE (BUDGET FUNCTION 050) OCO BUDGET REQUEST	**58,798,000**	**92,547**	**58,890,547**
TOTAL, NATIONAL DEFENSE (BUDGET FUNCTION 050)	**601,990,612**	**13,358**	**602,003,970**
MEMORANDUM: NON-DEFENSE AUTHORIZATIONS			
TITLE XIV—ARMED FORCES RETIREMENT HOME (FUNCTION 600)	64,300		64,300
MEMORANDUM: TRANSFER AUTHORITIES (NON-ADDS)			
TITLE X—GENERAL TRANSFER AUTHORITY	[5,000,000]		[4,000,000]
TITLE XV—SPECIAL TRANSFER AUTHORITY	[4,500,000]		[3,500,000]

NATIONAL DEFENSE BUDGET AUTHORITY IMPLICATION

NATIONAL DEFENSE BUDGET AUTHORITY IMPLICATION

(In Thousands of Dollars)

	FY 2017 Request	Senate Change	Senate Authorized
SUMMARY DISCRETIONARY AUTHORIZATIONS WITHIN THE JURISDICTION OF THE ARMED SERVICES COMMITTEE			
NATIONAL DEFENSE (050)			
DEPARTMENT OF DEFENSE-MILITARY, BASE BUDGET (051)	523,952,134	–6,339	523,945,795
ATOMIC ENERGY DEFENSE ACTIVITIES (053)	19,240,478	–72,850	19,167,628
OVERSEAS CONTINGENCY OPERATIONS	58,798,000	92,547	58,890,547
TOTAL, NATIONAL DEFENSE (050)	**601,990,612**	**13,358**	**602,003,970**
OTHER DEFENSE DISCRETIONARY AUTHORIZATIONS PROGRAMS OUTSIDE THE JURISDICTION OF THE ARMED SERVICES COMMITTEE OR ALREADY AUTHORIZED			
DEPARTMENT OF DEFENSE-MILITARY (051)			
DEFENSE PRODUCTION ACT PURCHASES	44,000		44,000
INDEFINITE ACCOUNT: DISPOSAL OF DOD REAL PROPERTY	8,175		8,175
INDEFINITE ACCOUNT: LEASE OF DOD REAL PROPERTY	36,587		36,587
SUBTOTAL, DEPARTMENT OF DEFENSE-MILITARY (051)	**88,762**	**0**	**88,762**
ATOMIC ENERGY DEFENSE ACTIVITES (053)			
FORMERLY UTILIZED SITES REMEDIAL ACTION PROGRAM	103,000		103,000
SUBTOTAL, ATOMIC ENERGY DEFENSE ACTIVITIES (053)	**103,000**	**0**	**103,000**
DEFENSE-RELATED ACTIVITIES (054)			
OTHER DISCRETIONARY PROGRAMS	7,814,000		7,814,000
SUBTOTAL, DEFENSE-RELATED ACTIVITIES (054)	**7,814,000**	**0**	**7,814,000**
TOTAL, OTHER DEFENSE DISCRETIONARY AUTHORIZATIONS (050)	**8,005,762**	**0**	**8,005,762**
DISCRETIONARY BUDGET AUTHORITY IMPLICATION (050)			
NATIONAL DEFENSE DISCRETIONARY AUTHORIZATIONS (050)			
DEPARTMENT OF DEFENSE--MILITARY (051)	582,838,896	86,208	582,925,104
ATOMIC ENERGY DEFENSE ACTIVITIES (053)	19,343,478	–72,850	19,270,628
DEFENSE-RELATED ACTIVITIES (054)	7,814,000		7,814,000
TOTAL, DISCRETIONARY BUDGET AUTHORITY IMPLICATION, 050	**609,996,374**	**13,358**	**610,009,732**
NATIONAL DEFENSE MANDATORY PROGRAMS, CURRENT LAW (CBO BASELINE)			
DEPARTMENT OF DEFENSE-MILITARY (051)			
CONCURRENT RECEIPT ACCRUAL PAYMENTS TO THE MILITARY RETIREMENT FUND	6,886,000		6,886,000
REVOLVING, TRUST AND OTHER DOD MANDATORY	1,415,000		1,415,000
OFFSETTING RECEIPTS	–1,856,000		–1,856,000

NATIONAL DEFENSE BUDGET AUTHORITY IMPLICATION—Continued

(In Thousands of Dollars)

	FY 2017 Request	Senate Change	Senate Authorized
SUBTOTAL, DEPARTMENT OF DEFENSE-MILITARY (051)	**6,445,000**	**0**	**6,445,000**
ATOMIC ENERGY DEFENSE ACTIVITES (053)			
ENERGY EMPLOYEES OCCUPATIONAL ILLNESS COMPENSATION PROGRAMS AND OTHER	1,152,000		1,152,000
SUBTOTAL, ATOMIC ENERGY DEFENSE ACTIVITIES (053)	**1,152,000**	**0**	**1,152,000**
DEFENSE-RELATED ACTIVITIES (054)			
RADIATION EXPOSURE COMPENSATION TRUST FUND	62,000		62,000
PAYMENT TO CIA RETIREMENT FUND AND OTHER	514,000		514,000
SUBTOTAL, DEFENSE-RELATED ACTIVITIES (054)	**576,000**	**0**	**576,000**
TOTAL, NATIONAL DEFENSE MANDATORY PROGRAMS (050)	**8,023,000**	**0**	**8,023,000**
DISCRETIONARY AND MANDATORY BUDGET AUTHORITY IMPLICATION (050)			
DISCRETIONARY AND MANDATORY BUDGET AUTHORITY IMPLICATION (050)			
DEPARTMENT OF DEFENSE--MILITARY (051)	589,283,896	86,208	589,370,104
ATOMIC ENERGY DEFENSE ACTIVITIES (053)	20,495,478	–72,850	20,422,628
DEFENSE-RELATED ACTIVITIES (054)	8,390,000		8,390,000
TOTAL, BUDGET AUTHORITY IMPLICATION (050)	**618,169,374**	**13,358**	**618,182,732**

TITLE XLI—PROCUREMENT

TITLE XLI—PROCUREMENT

SEC. 4101. PROCUREMENT.

SEC. 4101. PROCUREMENT
(In Thousands of Dollars)

Line	Item	FY 2017 Request		Senate Change		Senate Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
	AIRCRAFT PROCUREMENT, ARMY						
	FIXED WING						
1	UTILITY F/W AIRCRAFT	3	57,529			3	57,529
3	MQ–1 UAV	0	55,388			0	55,388
	ROTARY						
6	AH–64 APACHE BLOCK IIIA REMAN	48	803,084			48	803,084
7	AH–64 APACHE BLOCK IIIA REMAN (AP)	0	185,160			0	185,160
8	UH–60 BLACKHAWK M MODEL (MYP)	36	755,146			36	755,146
9	UH–60 BLACKHAWK M MODEL (MYP) (AP)	0	174,107			0	174,107
10	UH–60 BLACK HAWK A AND L MODELS	38	46,173			38	46,173
11	CH–47 HELICOPTER	22	556,257			22	556,257
12	CH–47 HELICOPTER (AP)	0	8,707			0	8,707
	MODIFICATION OF AIRCRAFT						
13	MQ–1 PAYLOAD (MIP)	0	43,735			0	43,735
15	MULTI SENSOR ABN RECON (MIP)	0	94,527			0	94,527
16	AH–64 MODS	0	137,883			0	137,883
17	CH–47 CARGO HELICOPTER MODS (MYP)	0	102,943			0	102,943
18	GRCS SEMA MODS (MIP)	0	4,055			0	4,055
19	ARL SEMA MODS (MIP)	0	6,793			0	6,793
20	EMARSS SEMA MODS (MIP)	0	13,197			0	13,197
21	UTILITY/CARGO AIRPLANE MODS	0	17,526			0	17,526
22	UTILITY HELICOPTER MODS	0	10,807			0	10,807
23	NETWORK AND MISSION PLAN	0	74,752			0	74,752

24	COMMS, NAV SURVEILLANCE	0	69,960			0	69,960
25	GATM ROLLUP	0	45,302			0	45,302
26	RQ–7 UAV MODS	0	71,169			0	71,169
27	UAS MODS	0	21,804			0	21,804
	GROUND SUPPORT AVIONICS						
28	AIRCRAFT SURVIVABILITY EQUIPMENT	0	67,377			0	67,377
29	SURVIVABILITY CM	0	9,565	0	26,000	0	35,565
	ASE PNT unfunded requirement			[0]	[26,000]		
30	CMWS	0	41,626			0	41,626
	OTHER SUPPORT						
32	AVIONICS SUPPORT EQUIPMENT	0	7,007			0	7,007
33	COMMON GROUND EQUIPMENT	0	48,234			0	48,234
34	AIRCREW INTEGRATED SYSTEMS	0	30,297			0	30,297
35	AIR TRAFFIC CONTROL	0	50,405			0	50,405
36	INDUSTRIAL FACILITIES	0	1,217			0	1,217
37	LAUNCHER, 2.75 ROCKET	0	3,055			0	3,055
	TOTAL AIRCRAFT PROCUREMENT, ARMY	**147**	**3,614,787**	**0**	**26,000**	**147**	**3,640,787**
	MISSILE PROCUREMENT, ARMY						
	SURFACE-TO-AIR MISSILE SYSTEM						
1	LOWER TIER AIR AND MISSILE DEFENSE (AMD)	0	126,470			0	126,470
2	MSE MISSILE	85	423,201			85	423,201
3	INDIRECT FIRE PROTECTION CAPABILITY INC 2–I (AP)	0	19,319			0	19,319
	AIR-TO-SURFACE MISSILE SYSTEM						
4	HELLFIRE SYS SUMMARY	155	42,013			155	42,013
5	JOINT AIR-TO-GROUND MSLS (JAGM)	324	64,751			324	64,751
6	JOINT AIR-TO-GROUND MSLS (JAGM) (AP)	0	37,100			0	37,100
	ANTI-TANK/ASSAULT MISSILE SYS						
7	JAVELIN (AAWS-M) SYSTEM SUMMARY	309	73,508			309	73,508
8	TOW 2 SYSTEM SUMMARY	595	64,922			595	64,922
9	TOW 2 SYSTEM SUMMARY (AP)	0	19,949			0	19,949
10	GUIDED MLRS ROCKET (GMLRS)	1,068	172,088			1,068	172,088
11	MLRS REDUCED RANGE PRACTICE ROCKETS (RRPR)	1,704	18,004			1,704	18,004
	MODIFICATIONS						
13	PATRIOT MODS	0	197,107			0	197,107
14	ATACMS MODS	0	150,043			0	150,043

SEC. 4101. PROCUREMENT
(In Thousands of Dollars)

Line	Item	FY 2017 Request		Senate Change		Senate Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
15	GMLRS MOD	0	395			0	395
17	AVENGER MODS	0	33,606			0	33,606
18	ITAS/TOW MODS	0	383			0	383
19	MLRS MODS	0	34,704			0	34,704
20	HIMARS MODIFICATIONS	0	1,847			0	1,847
	SPARES AND REPAIR PARTS						
21	SPARES AND REPAIR PARTS	0	34,487			0	34,487
	SUPPORT EQUIPMENT & FACILITIES						
22	AIR DEFENSE TARGETS	0	4,915			0	4,915
24	PRODUCTION BASE SUPPORT	0	1,154			0	1,154
	TOTAL MISSILE PROCUREMENT, ARMY	**4,240**	**1,519,966**	**0**	**0**	**4,240**	**1,519,966**
	PROCUREMENT OF W&TCV, ARMY						
	TRACKED COMBAT VEHICLES						
1	STRYKER VEHICLE	0	71,680			0	71,680
	MODIFICATION OF TRACKED COMBAT VEHICLES						
2	STRYKER (MOD)	0	74,348			0	74,348
3	STRYKER UPGRADE	0	444,561	0	–11,000	0	433,561
	Early to need			[0]	[–11,000]		
5	BRADLEY PROGRAM (MOD)	0	276,433			0	276,433
6	HOWITZER, MED SP FT 155MM M109A6 (MOD)	0	63,138			0	63,138
7	PALADIN INTEGRATED MANAGEMENT (PIM)	36	469,305			36	469,305
8	IMPROVED RECOVERY VEHICLE (M88A2 HERCULES)	22	91,963			22	91,963
9	ASSAULT BRIDGE (MOD)	0	3,465			0	3,465
10	ASSAULT BREACHER VEHICLE	0	2,928			0	2,928
11	M88 FOV MODS	0	8,685			0	8,685
12	JOINT ASSAULT BRIDGE	9	64,752			9	64,752
13	M1 ABRAMS TANK (MOD)	0	480,166	0	140,000	0	620,166
	APS Unfunded requirement			[0]	[82,000]		

	M1 industrial base Unfunded requirement			[0]	[58,000]		
	WEAPONS & OTHER COMBAT VEHICLES						
16	INTEGRATED AIR BURST WEAPON SYSTEM FAMILY	0	9,764			0	9,764
17	MORTAR SYSTEMS	0	8,332			0	8,332
18	XM320 GRENADE LAUNCHER MODULE (GLM)	0	3,062			0	3,062
19	COMPACT SEMI-AUTOMATIC SNIPER SYSTEM	0	992			0	992
20	CARBINE	0	40,493			0	40,493
21	COMMON REMOTELY OPERATED WEAPONS STATION	0	25,164			0	25,164
36	HANDGUN	0		0	1,000	0	1,000
	Program increase for Modular Handgun System			[0]	[1,000]		
	MOD OF WEAPONS AND OTHER COMBAT VEH						
22	MK–19 GRENADE MACHINE GUN MODS	0	4,959			0	4,959
23	M777 MODS	0	11,913			0	11,913
24	M4 CARBINE MODS	0	29,752	0	–1,000	0	28,752
	Program decrease			[0]	[–1,000]		
25	M2 50 CAL MACHINE GUN MODS	0	48,582			0	48,582
26	M249 SAW MACHINE GUN MODS	0	1,179			0	1,179
27	M240 MEDIUM MACHINE GUN MODS	0	1,784			0	1,784
28	SNIPER RIFLES MODIFICATIONS	0	971			0	971
29	M119 MODIFICATIONS	0	6,045			0	6,045
30	MORTAR MODIFICATION	0	12,118			0	12,118
31	MODIFICATIONS LESS THAN $5.0M (WOCV-WTCV)	0	3,157			0	3,157
	SUPPORT EQUIPMENT & FACILITIES						
32	ITEMS LESS THAN $5.0M (WOCV-WTCV)	0	2,331			0	2,331
35	SMALL ARMS EQUIPMENT (SOLDIER ENH PROG)	0	3,155			0	3,155
	TOTAL PROCUREMENT OF W&TCV, ARMY	**67**	**2,265,177**	**0**	**129,000**	**67**	**2,394,177**
	PROCUREMENT OF AMMUNITION, ARMY						
	SMALL/MEDIUM CAL AMMUNITION						
1	CTG, 5.56MM, ALL TYPES	0	40,296	0	–2,600	0	37,696
	Early to need			[0]	[–2,600]		
2	CTG, 7.62MM, ALL TYPES	0	39,237	0	–300	0	38,937
	Early to need			[0]	[–300]		
3	CTG, HANDGUN, ALL TYPES	0	5,193	0	–1,300	0	3,893
	Early to need			[0]	[–1,300]		
4	CTG, .50 CAL, ALL TYPES	0	46,693	0	–4,700	0	41,993

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(In Thousands of Dollars)

Line	Item	FY 2017 Request		Senate Change		Senate Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
	Early to need			[0]	[–4,700]		
5	CTG, 20MM, ALL TYPES	0	7,000			0	7,000
6	CTG, 25MM, ALL TYPES	0	7,753	0	–1,300	0	6,453
	Early to need			[0]	[–1,300]		
7	CTG, 30MM, ALL TYPES	0	47,000			0	47,000
8	CTG, 40MM, ALL TYPES	0	118,178	0	–6,300	0	111,878
	Early to need			[0]	[–6,300]		
	MORTAR AMMUNITION						
9	60MM MORTAR, ALL TYPES	0	69,784			0	69,784
10	81MM MORTAR, ALL TYPES	0	36,125			0	36,125
11	120MM MORTAR, ALL TYPES	0	69,133			0	69,133
	TANK AMMUNITION						
12	CARTRIDGES, TANK, 105MM AND 120MM, ALL TYPES	0	120,668	0	–2,800	0	117,868
	Early to need			[0]	[–2,800]		
	ARTILLERY AMMUNITION						
13	ARTILLERY CARTRIDGES, 75MM & 105MM, ALL TYPES	0	64,800	0	–4,000	0	60,800
	75mm blanks early to need			[0]	[–4,000]		
14	ARTILLERY PROJECTILE, 155MM, ALL TYPES	0	109,515			0	109,515
15	PROJ 155MM EXTENDED RANGE M982	0	39,200			0	39,200
16	ARTILLERY PROPELLANTS, FUZES AND PRIMERS, ALL	0	70,881			0	70,881
	ROCKETS						
19	SHOULDER LAUNCHED MUNITIONS, ALL TYPES	0	38,000			0	38,000
20	ROCKET, HYDRA 70, ALL TYPES	0	87,213			0	87,213
	OTHER AMMUNITION						
21	CAD/PAD, ALL TYPES	0	4,914			0	4,914
22	DEMOLITION MUNITIONS, ALL TYPES	0	6,380			0	6,380
23	GRENADES, ALL TYPES	0	22,760			0	22,760
24	SIGNALS, ALL TYPES	0	10,666			0	10,666
25	SIMULATORS, ALL TYPES	0	7,412			0	7,412

	MISCELLANEOUS					
26	AMMO COMPONENTS, ALL TYPES	0	12,726		0	12,726
27	NON-LETHAL AMMUNITION, ALL TYPES	0	6,100	0	–200	0	5,900
	Early to need			[0]	[–200]		
28	ITEMS LESS THAN $5 MILLION (AMMO)	0	10,006	0	–500	0	9,506
	Early to need			[0]	[–500]		
29	AMMUNITION PECULIAR EQUIPMENT	0	17,275	0	–3,700	0	13,575
	Early to need			[0]	[–3,700]		
30	FIRST DESTINATION TRANSPORTATION (AMMO)	0	14,951			0	14,951
	PRODUCTION BASE SUPPORT						
32	INDUSTRIAL FACILITIES	0	222,269			0	222,269
33	CONVENTIONAL MUNITIONS DEMILITARIZATION	0	157,383			0	157,383
34	ARMS INITIATIVE	0	3,646			0	3,646
	TOTAL PROCUREMENT OF AMMUNITION, ARMY	**0**	**1,513,157**	**0**	**–27,700**	**0**	**1,485,457**
	OTHER PROCUREMENT, ARMY						
	TACTICAL VEHICLES						
1	TACTICAL TRAILERS/DOLLY SETS	0	3,733			0	3,733
2	SEMITRAILERS, FLATBED:	0	3,716			0	3,716
3	HI MOB MULTI-PURP WHLD VEH (HMMWV)	0		0	21,000	0	21,000
	Ambulance recapitalization			[0]	[21,000]		
4	GROUND MOBILITY VEHICLES (GMV)	0	4,907			0	4,907
6	JOINT LIGHT TACTICAL VEHICLE	1,828	587,514			1,828	587,514
7	TRUCK, DUMP, 20T (CCE)	0	3,927			0	3,927
8	FAMILY OF MEDIUM TACTICAL VEH (FMTV)	8	53,293			8	53,293
9	FIRETRUCKS & ASSOCIATED FIREFIGHTING EQUIP	0	7,460			0	7,460
10	FAMILY OF HEAVY TACTICAL VEHICLES (FHTV)	430	39,564			430	39,564
11	PLS ESP	0	11,856			0	11,856
13	TACTICAL WHEELED VEHICLE PROTECTION KITS	0	49,751			0	49,751
14	MODIFICATION OF IN SVC EQUIP	0	64,000	0	–12,000	0	52,000
	Higher priorities			[0]	[–12,000]		
15	MINE-RESISTANT AMBUSH-PROTECTED (MRAP) MODS	0	10,611			0	10,611
	NON-TACTICAL VEHICLES						
16	HEAVY ARMORED SEDAN	0	394			0	394
18	NONTACTICAL VEHICLES, OTHER	0	1,755			0	1,755
	COMM—JOINT COMMUNICATIONS						

SEC. 4101. PROCUREMENT
(In Thousands of Dollars)

Line	Item	FY 2017 Request		Senate Change		Senate Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
19	WIN-T—GROUND FORCES TACTICAL NETWORK	0	427,598	0	–100,000	0	327,598
	Ahead of need			[0]	[–100,000]		
20	SIGNAL MODERNIZATION PROGRAM	0	58,250			0	58,250
21	JOINT INCIDENT SITE COMMUNICATIONS CAPABILITY	0	5,749			0	5,749
22	JCSE EQUIPMENT (USREDCOM)	0	5,068			0	5,068
	COMM—SATELLITE COMMUNICATIONS						
23	DEFENSE ENTERPRISE WIDEBAND SATCOM SYSTEMS	0	143,805			0	143,805
24	TRANSPORTABLE TACTICAL COMMAND COMMUNICATIONS	0	36,580			0	36,580
25	SHF TERM	0	1,985			0	1,985
27	SMART-T (SPACE)	0	9,165			0	9,165
	COMM—C3 SYSTEM						
31	ARMY GLOBAL CMD & CONTROL SYS (AGCCS)	0	2,530			0	2,530
	COMM—COMBAT COMMUNICATIONS						
33	HANDHELD MANPACK SMALL FORM FIT (HMS)	5,656	273,645			5,656	273,645
34	MID-TIER NETWORKING VEHICULAR RADIO (MNVR)	0	25,017			0	25,017
35	RADIO TERMINAL SET, MIDS LVT(2)	0	12,326			0	12,326
37	TRACTOR DESK	0	2,034			0	2,034
38	TRACTOR RIDE	0	2,334			0	2,334
39	SPIDER APLA REMOTE CONTROL UNIT	0	1,985			0	1,985
40	SPIDER FAMILY OF NETWORKED MUNITIONS INCR	0	10,796			0	10,796
42	TACTICAL COMMUNICATIONS AND PROTECTIVE SYSTEM	0	3,607			0	3,607
43	UNIFIED COMMAND SUITE	0	14,295			0	14,295
45	FAMILY OF MED COMM FOR COMBAT CASUALTY CARE	0	19,893			0	19,893
	COMM—INTELLIGENCE COMM						
47	CI AUTOMATION ARCHITECTURE	0	1,388			0	1,388
48	ARMY CA/MISO GPF EQUIPMENT	0	5,494			0	5,494
	INFORMATION SECURITY						
49	FAMILY OF BIOMETRICS	0	2,978			0	2,978
51	COMMUNICATIONS SECURITY (COMSEC)	0	131,356			0	131,356

52	DEFENSIVE CYBER OPERATIONS	0	15,132			0	15,132
	COMM—LONG HAUL COMMUNICATIONS						
53	BASE SUPPORT COMMUNICATIONS	0	27,452			0	27,452
	COMM—BASE COMMUNICATIONS						
54	INFORMATION SYSTEMS	0	122,055			0	122,055
55	EMERGENCY MANAGEMENT MODERNIZATION PROGRAM	1	4,286			1	4,286
56	INSTALLATION INFO INFRASTRUCTURE MOD PROGRAM	0	131,794			0	131,794
	ELECT EQUIP—TACT INT REL ACT (TIARA)						
59	JTT/CIBS-M	0	5,337			0	5,337
62	DCGS-A (MIP)	0	242,514	0	–93,000	0	149,514
	Changing requirement, tactical			[0]	[–93,000]		
63	JOINT TACTICAL GROUND STATION (JTAGS)	0	4,417			0	4,417
64	TROJAN (MIP)	0	17,455			0	17,455
65	MOD OF IN-SVC EQUIP (INTEL SPT) (MIP)	0	44,965			0	44,965
66	CI HUMINT AUTO REPRTING AND COLL(CHARCS)	0	7,658			0	7,658
67	CLOSE ACCESS TARGET RECONNAISSANCE (CATR)	0	7,970			0	7,970
68	MACHINE FOREIGN LANGUAGE TRANSLATION SYSTEM-M	0	545			0	545
	ELECT EQUIP—ELECTRONIC WARFARE (EW)						
70	LIGHTWEIGHT COUNTER MORTAR RADAR	0	74,038	0	–12,500	0	61,538
	Reduce to FY16 level			[0]	[–12,500]		
71	EW PLANNING & MANAGEMENT TOOLS (EWPMT)	0	3,235			0	3,235
72	AIR VIGILANCE (AV)	0	733			0	733
74	FAMILY OF PERSISTENT SURVEILLANCE CAPABILITIE	0	1,740			0	1,740
75	COUNTERINTELLIGENCE/SECURITY COUNTERMEASURES	0	455			0	455
76	CI MODERNIZATION	0	176			0	176
	ELECT EQUIP—TACTICAL SURV. (TAC SURV)						
77	SENTINEL MODS	0	40,171			0	40,171
78	NIGHT VISION DEVICES	0	163,029			0	163,029
79	SMALL TACTICAL OPTICAL RIFLE MOUNTED MLRF	0	15,885			0	15,885
80	INDIRECT FIRE PROTECTION FAMILY OF SYSTEMS	0	48,427			0	48,427
81	FAMILY OF WEAPON SIGHTS (FWS)	0	55,536			0	55,536
82	ARTILLERY ACCURACY EQUIP	0	4,187			0	4,187
85	JOINT BATTLE COMMAND—PLATFORM (JBC-P)	0	137,501			0	137,501
86	JOINT EFFECTS TARGETING SYSTEM (JETS)	0	50,726			0	50,726
87	MOD OF IN-SVC EQUIP (LLDR)	0	28,058	0	–6,500	0	21,558
	Reduce to FY16 levels			[0]	[–6,500]		

SEC. 4101. PROCUREMENT
(In Thousands of Dollars)

Line	Item	FY 2017 Request		Senate Change		Senate Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
88	COMPUTER BALLISTICS: LHMBC XM32	0	5,924			0	5,924
89	MORTAR FIRE CONTROL SYSTEM	0	22,331			0	22,331
90	COUNTERFIRE RADARS	0	314,509	0	–36,000	0	278,509
	Smooth production profile			[0]	[–36,000]		
	ELECT EQUIP—TACTICAL C2 SYSTEMS						
91	FIRE SUPPORT C2 FAMILY	0	8,660			0	8,660
92	AIR & MSL DEFENSE PLANNING & CONTROL SYS	0	54,376			0	54,376
93	IAMD BATTLE COMMAND SYSTEM	0	204,969			0	204,969
94	LIFE CYCLE SOFTWARE SUPPORT (LCSS)	0	4,718			0	4,718
95	NETWORK MANAGEMENT INITIALIZATION AND SERVICE	0	11,063			0	11,063
96	MANEUVER CONTROL SYSTEM (MCS)	0	151,318	0	–27,000	0	124,318
	Reduce to FY16 level			[0]	[–27,000]		
97	GLOBAL COMBAT SUPPORT SYSTEM-ARMY (GCSS-A)	0	155,660			0	155,660
98	INTEGRATED PERSONNEL AND PAY SYSTEM-ARMY (IPP	0	4,214			0	4,214
99	RECONNAISSANCE AND SURVEYING INSTRUMENT SET	0	16,185			0	16,185
100	MOD OF IN-SVC EQUIPMENT (ENFIRE)	0	1,565			0	1,565
	ELECT EQUIP—AUTOMATION						
101	ARMY TRAINING MODERNIZATION	0	17,693			0	17,693
102	AUTOMATED DATA PROCESSING EQUIP	0	107,960	0	–9,400	0	98,560
	Program reduction			[0]	[–9,400]		
103	GENERAL FUND ENTERPRISE BUSINESS SYSTEMS FAM	0	6,416			0	6,416
104	HIGH PERF COMPUTING MOD PGM (HPCMP)	0	58,614			0	58,614
105	CONTRACT WRITING SYSTEM	0	986	0	–986	0	0
	Contract writing unjustified requirement			[0]	[–986]		
106	RESERVE COMPONENT AUTOMATION SYS (RCAS)	0	23,828			0	23,828
	ELECT EQUIP—AUDIO VISUAL SYS (A/V)						
107	TACTICAL DIGITAL MEDIA	0	1,191			0	1,191
108	ITEMS LESS THAN $5M (SURVEYING EQUIPMENT)	0	1,995			0	1,995
	ELECT EQUIP—SUPPORT						

109	PRODUCTION BASE SUPPORT (C-E)	0	403			0	403
	CLASSIFIED PROGRAMS						
110	CLASSIFIED PROGRAMS	0	4,436			0	4,436
	CHEMICAL DEFENSIVE EQUIPMENT						
111	PROTECTIVE SYSTEMS	0	2,966			0	2,966
112	FAMILY OF NON-LETHAL EQUIPMENT (FNLE)	0	9,795			0	9,795
114	CBRN DEFENSE	0	17,922			0	17,922
	BRIDGING EQUIPMENT						
115	TACTICAL BRIDGING	0	13,553			0	13,553
116	TACTICAL BRIDGE, FLOAT-RIBBON	0	25,244			0	25,244
117	BRIDGE SUPPLEMENTAL SET	0	983			0	983
118	COMMON BRIDGE TRANSPORTER (CBT) RECAP	0	25,176			0	25,176
	ENGINEER (NON-CONSTRUCTION) EQUIPMENT						
119	GRND STANDOFF MINE DETECTN SYSM (GSTAMIDS)	0	39,350			0	39,350
120	AREA MINE DETECTION SYSTEM (AMDS)	0	10,500			0	10,500
121	HUSKY MOUNTED DETECTION SYSTEM (HMDS)	0	274			0	274
122	ROBOTIC COMBAT SUPPORT SYSTEM (RCSS)	0	2,951			0	2,951
123	EOD ROBOTICS SYSTEMS RECAPITALIZATION	0	1,949			0	1,949
124	ROBOTICS AND APPLIQUE SYSTEMS	0	5,203			0	5,203
125	EXPLOSIVE ORDNANCE DISPOSAL EQPMT (EOD EQPMT)	0	5,570			0	5,570
126	REMOTE DEMOLITION SYSTEMS	0	6,238			0	6,238
127	< $5M, COUNTERMINE EQUIPMENT	0	836			0	836
128	FAMILY OF BOATS AND MOTORS	0	3,171			0	3,171
	COMBAT SERVICE SUPPORT EQUIPMENT						
129	HEATERS AND ECU'S	0	18,707			0	18,707
130	SOLDIER ENHANCEMENT	0	2,112			0	2,112
131	PERSONNEL RECOVERY SUPPORT SYSTEM (PRSS)	0	10,856			0	10,856
132	GROUND SOLDIER SYSTEM	0	32,419			0	32,419
133	MOBILE SOLDIER POWER	0	30,014			0	30,014
135	FIELD FEEDING EQUIPMENT	0	12,544			0	12,544
136	CARGO AERIAL DEL & PERSONNEL PARACHUTE SYSTEM	0	18,509			0	18,509
137	FAMILY OF ENGR COMBAT AND CONSTRUCTION SETS	0	29,384			0	29,384
	PETROLEUM EQUIPMENT						
139	QUALITY SURVEILLANCE EQUIPMENT	0	4,487			0	4,487
140	DISTRIBUTION SYSTEMS, PETROLEUM & WATER	0	42,656	0	–10,000	0	32,656
	Program decrease			[0]	[–10,000]		

SEC. 4101. PROCUREMENT
(In Thousands of Dollars)

Line	Item	FY 2017 Request		Senate Change		Senate Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
	MEDICAL EQUIPMENT						
141	COMBAT SUPPORT MEDICAL	0	59,761			0	59,761
	MAINTENANCE EQUIPMENT						
142	MOBILE MAINTENANCE EQUIPMENT SYSTEMS	0	35,694	0	–5,000	0	30,694
	Reduce to FY16 level			[0]	[–5,000]		
143	ITEMS LESS THAN $5.0M (MAINT EQ)	0	2,716			0	2,716
	CONSTRUCTION EQUIPMENT						
144	GRADER, ROAD MTZD, HVY, 6X4 (CCE)	0	1,742			0	1,742
145	SCRAPERS, EARTHMOVING	0	26,233			0	26,233
147	HYDRAULIC EXCAVATOR	0	1,123			0	1,123
149	ALL TERRAIN CRANES	0	65,285			0	65,285
151	HIGH MOBILITY ENGINEER EXCAVATOR (HMEE)	0	1,743			0	1,743
152	ENHANCED RAPID AIRFIELD CONSTRUCTION CAPAP	0	2,779			0	2,779
154	CONST EQUIP ESP	0	26,712	0	–4,500	0	22,212
	Reduce to FY16 level			[0]	[–4,500]		
155	ITEMS LESS THAN $5.0M (CONST EQUIP)	0	6,649			0	6,649
	RAIL FLOAT CONTAINERIZATION EQUIPMENT						
156	ARMY WATERCRAFT ESP	0	21,860	0	–11,000	0	10,860
	Program decrease			[0]	[–11,000]		
157	ITEMS LESS THAN $5.0M (FLOAT/RAIL)	0	1,967			0	1,967
	GENERATORS						
158	GENERATORS AND ASSOCIATED EQUIP	0	113,266			0	113,266
159	TACTICAL ELECTRIC POWER RECAPITALIZATION	0	7,867			0	7,867
	MATERIAL HANDLING EQUIPMENT						
160	FAMILY OF FORKLIFTS	0	2,307			0	2,307
	TRAINING EQUIPMENT						
161	COMBAT TRAINING CENTERS SUPPORT	0	75,359			0	75,359
162	TRAINING DEVICES, NONSYSTEM	0	253,050			0	253,050
163	CLOSE COMBAT TACTICAL TRAINER	0	48,271			0	48,271

164	AVIATION COMBINED ARMS TACTICAL TRAINER	0	40,000			0	40,000
165	GAMING TECHNOLOGY IN SUPPORT OF ARMY TRAINING	0	11,543			0	11,543
	TEST MEASURE AND DIG EQUIPMENT (TMD)						
166	CALIBRATION SETS EQUIPMENT	0	4,963			0	4,963
167	INTEGRATED FAMILY OF TEST EQUIPMENT (IFTE)	0	29,781			0	29,781
168	TEST EQUIPMENT MODERNIZATION (TEMOD)	0	6,342			0	6,342
	OTHER SUPPORT EQUIPMENT						
169	M25 STABILIZED BINOCULAR	0	3,149			0	3,149
170	RAPID EQUIPPING SOLDIER SUPPORT EQUIPMENT	0	18,003			0	18,003
171	PHYSICAL SECURITY SYSTEMS (OPA3)	0	44,082			0	44,082
172	BASE LEVEL COMMON EQUIPMENT	0	2,168			0	2,168
173	MODIFICATION OF IN-SVC EQUIPMENT (OPA–3)	0	67,367	0	–5,000	0	62,367
	Reduce to FY16 level			[0]	[–5,000]		
174	PRODUCTION BASE SUPPORT (OTH)	0	1,528			0	1,528
175	SPECIAL EQUIPMENT FOR USER TESTING	0	8,289			0	8,289
177	TRACTOR YARD	0	6,888			0	6,888
	OPA2						
179	INITIAL SPARES—C&E	0	27,243			0	27,243
	TOTAL OTHER PROCUREMENT, ARMY	**7,923**	**5,873,949**	**0**	**–311,886**	**7,923**	**5,562,063**
	AIRCRAFT PROCUREMENT, NAVY						
	COMBAT AIRCRAFT						
3	JOINT STRIKE FIGHTER CV	4	890,650			4	890,650
4	JOINT STRIKE FIGHTER CV (AP)	0	80,908			0	80,908
5	JSF STOVL	16	2,037,768			16	2,037,768
6	JSF STOVL (AP)	0	233,648			0	233,648
7	CH–53K (HEAVY LIFT)	2	348,615			2	348,615
8	CH–53K (HEAVY LIFT) (AP)	0	88,365			0	88,365
9	V–22 (MEDIUM LIFT)	16	1,264,134			16	1,264,134
10	V–22 (MEDIUM LIFT) (AP)	0	19,674			0	19,674
11	H–1 UPGRADES (UH–1Y/AH–1Z)	24	759,778			24	759,778
12	H–1 UPGRADES (UH–1Y/AH–1Z) (AP)	0	57,232			0	57,232
14	MH–60R (MYP)	0	61,177			0	61,177
16	P–8A POSEIDON	11	1,940,238			11	1,940,238
17	P–8A POSEIDON (AP)	0	123,140			0	123,140
18	E–2D ADV HAWKEYE	6	916,483			6	916,483

SEC. 4101. PROCUREMENT
(In Thousands of Dollars)

Line	Item	FY 2017 Request		Senate Change		Senate Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
19	E–2D ADV HAWKEYE (AP)	0	125,042			0	125,042
	TRAINER AIRCRAFT						
20	JPATS	0	5,849			0	5,849
	OTHER AIRCRAFT						
21	KC–130J	2	128,870			2	128,870
22	KC–130J (AP)	0	24,848			0	24,848
23	MQ–4 TRITON	2	409,005			2	409,005
24	MQ–4 TRITON (AP)	0	55,652			0	55,652
25	MQ–8 UAV	1	72,435			1	72,435
	MODIFICATION OF AIRCRAFT						
29	AEA SYSTEMS	0	51,900			0	51,900
30	AV–8 SERIES	0	60,818			0	60,818
31	ADVERSARY	0	5,191			0	5,191
32	F–18 SERIES	0	1,023,492			0	1,023,492
34	H–53 SERIES	0	46,095			0	46,095
35	SH–60 SERIES	0	108,328			0	108,328
36	H–1 SERIES	0	46,333			0	46,333
37	EP–3 SERIES	0	14,681			0	14,681
38	P–3 SERIES	0	2,781			0	2,781
39	E–2 SERIES	0	32,949			0	32,949
40	TRAINER A/C SERIES	0	13,199			0	13,199
41	C–2A	0	19,066			0	19,066
42	C–130 SERIES	0	61,788			0	61,788
43	FEWSG	0	618			0	618
44	CARGO/TRANSPORT A/C SERIES	0	9,822			0	9,822
45	E–6 SERIES	0	222,077			0	222,077
46	EXECUTIVE HELICOPTERS SERIES	0	66,835			0	66,835
47	SPECIAL PROJECT AIRCRAFT	0	16,497			0	16,497
48	T–45 SERIES	0	114,887			0	114,887

49	POWER PLANT CHANGES	0	16,893			0	16,893
50	JPATS SERIES	0	17,401			0	17,401
51	COMMON ECM EQUIPMENT	0	143,773			0	143,773
52	COMMON AVIONICS CHANGES	0	164,839			0	164,839
53	COMMON DEFENSIVE WEAPON SYSTEM	0	4,403			0	4,403
54	ID SYSTEMS	0	45,768			0	45,768
55	P–8 SERIES	0	18,836			0	18,836
56	MAGTF EW FOR AVIATION	0	5,676			0	5,676
57	MQ–8 SERIES	0	19,003			0	19,003
58	RQ–7 SERIES	0	3,534			0	3,534
59	V–22 (TILT/ROTOR ACFT) OSPREY	0	141,545			0	141,545
60	F–35 STOVL SERIES	0	34,928			0	34,928
61	F–35 CV SERIES	0	26,004			0	26,004
62	QRC	0	5,476			0	5,476
	AIRCRAFT SPARES AND REPAIR PARTS						
63	SPARES AND REPAIR PARTS	0	1,407,626	0	50,800	0	1,458,426
	F–35B spares unfunded requirement			[0]	[50,800]		
	AIRCRAFT SUPPORT EQUIP & FACILITIES						
64	COMMON GROUND EQUIPMENT	0	390,103			0	390,103
65	AIRCRAFT INDUSTRIAL FACILITIES	0	23,194			0	23,194
66	WAR CONSUMABLES	0	40,613			0	40,613
67	OTHER PRODUCTION CHARGES	0	860			0	860
68	SPECIAL SUPPORT EQUIPMENT	0	36,282			0	36,282
69	FIRST DESTINATION TRANSPORTATION	0	1,523			0	1,523
	TOTAL AIRCRAFT PROCUREMENT, NAVY	**84**	**14,109,148**	**0**	**50,800**	**84**	**14,159,948**
	WEAPONS PROCUREMENT, NAVY						
	MODIFICATION OF MISSILES						
1	TRIDENT II MODS	0	1,103,086			0	1,103,086
	SUPPORT EQUIPMENT & FACILITIES						
2	MISSILE INDUSTRIAL FACILITIES	0	6,776			0	6,776
	STRATEGIC MISSILES						
3	TOMAHAWK	100	186,905	96	84,200	196	271,105
	Program increase			[96]	[84,200]		
	TACTICAL MISSILES						
4	AMRAAM	163	204,697			163	204,697

SEC. 4101. PROCUREMENT
(In Thousands of Dollars)

Line	Item	FY 2017 Request		Senate Change		Senate Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
5	SIDEWINDER	152	70,912			152	70,912
6	JSOW	0	2,232			0	2,232
7	STANDARD MISSILE	125	501,212			125	501,212
8	RAM	90	71,557			90	71,557
9	JOINT AIR GROUND MISSILE (JAGM)	96	26,200			96	26,200
12	STAND OFF PRECISION GUIDED MUNITIONS (SOPGM)	24	3,316			24	3,316
13	AERIAL TARGETS	0	137,484			0	137,484
14	OTHER MISSILE SUPPORT	0	3,248			0	3,248
15	LRASM	10	29,643			10	29,643
	MODIFICATION OF MISSILES						
16	ESSM	75	52,935			75	52,935
18	HARM MODS	0	178,213	0	–30,000	0	148,213
	Advanced Anti-Radiation Guided Missile production issues			[0]	[–30,000]		
19	STANDARD MISSILES MODS	0	8,164			0	8,164
	SUPPORT EQUIPMENT & FACILITIES						
20	WEAPONS INDUSTRIAL FACILITIES	0	1,964			0	1,964
21	FLEET SATELLITE COMM FOLLOW-ON	0	36,723			0	36,723
	ORDNANCE SUPPORT EQUIPMENT						
22	ORDNANCE SUPPORT EQUIPMENT	0	59,096	0	6,970	0	66,066
	Program increase			[0]	[6,970]		
	TORPEDOES AND RELATED EQUIP						
23	SSTD	0	5,910			0	5,910
24	MK–48 TORPEDO	11	44,537			11	44,537
25	ASW TARGETS	0	9,302			0	9,302
	MOD OF TORPEDOES AND RELATED EQUIP						
26	MK–54 TORPEDO MODS	0	98,092			0	98,092
27	MK–48 TORPEDO ADCAP MODS	0	46,139			0	46,139
28	QUICKSTRIKE MINE	0	1,236			0	1,236
	SUPPORT EQUIPMENT						

29	TORPEDO SUPPORT EQUIPMENT	0	60,061			0	60,061
30	ASW RANGE SUPPORT	0	3,706			0	3,706
	DESTINATION TRANSPORTATION						
31	FIRST DESTINATION TRANSPORTATION	0	3,804			0	3,804
	GUNS AND GUN MOUNTS						
32	SMALL ARMS AND WEAPONS	0	18,002			0	18,002
	MODIFICATION OF GUNS AND GUN MOUNTS						
33	CIWS MODS	0	50,900			0	50,900
34	COAST GUARD WEAPONS	0	25,295			0	25,295
35	GUN MOUNT MODS	0	77,003			0	77,003
36	LCS MODULE WEAPONS	24	2,776			24	2,776
38	AIRBORNE MINE NEUTRALIZATION SYSTEMS	0	15,753			0	15,753
	SPARES AND REPAIR PARTS						
40	SPARES AND REPAIR PARTS	0	62,383			0	62,383
	TOTAL WEAPONS PROCUREMENT, NAVY	**870**	**3,209,262**	**96**	**61,170**	**966**	**3,270,432**
	PROCUREMENT OF AMMO, NAVY & MC						
	NAVY AMMUNITION						
1	GENERAL PURPOSE BOMBS	0	91,659			0	91,659
2	AIRBORNE ROCKETS, ALL TYPES	0	65,759			0	65,759
3	MACHINE GUN AMMUNITION	0	8,152			0	8,152
4	PRACTICE BOMBS	0	41,873			0	41,873
5	CARTRIDGES & CART ACTUATED DEVICES	0	54,002			0	54,002
6	AIR EXPENDABLE COUNTERMEASURES	0	57,034			0	57,034
7	JATOS	0	2,735			0	2,735
9	5 INCH/54 GUN AMMUNITION	0	19,220			0	19,220
10	INTERMEDIATE CALIBER GUN AMMUNITION	0	30,196			0	30,196
11	OTHER SHIP GUN AMMUNITION	0	39,009			0	39,009
12	SMALL ARMS & LANDING PARTY AMMO	0	46,727			0	46,727
13	PYROTECHNIC AND DEMOLITION	0	9,806			0	9,806
14	AMMUNITION LESS THAN $5 MILLION	0	2,900			0	2,900
	MARINE CORPS AMMUNITION						
15	SMALL ARMS AMMUNITION	0	27,958			0	27,958
17	40 MM, ALL TYPES	0	14,758			0	14,758
18	60MM, ALL TYPES	0	992			0	992
20	120MM, ALL TYPES	0	16,757	0	–4,000	0	12,757

SEC. 4101. PROCUREMENT
(In Thousands of Dollars)

Line	Item	FY 2017 Request		Senate Change		Senate Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
	120mm early to need			[0]	[–4,000]		
21	GRENADES, ALL TYPES	0	972			0	972
22	ROCKETS, ALL TYPES	0	14,186			0	14,186
23	ARTILLERY, ALL TYPES	0	68,656			0	68,656
24	DEMOLITION MUNITIONS, ALL TYPES	0	1,700			0	1,700
25	FUZE, ALL TYPES	0	26,088			0	26,088
27	AMMO MODERNIZATION	0	14,660			0	14,660
28	ITEMS LESS THAN $5 MILLION	0	8,569	0	–2,500	0	6,069
	early to need			[0]	[–2,500]		
	TOTAL PROCUREMENT OF AMMO, NAVY & MC	**0**	**664,368**	**0**	**–6,500**	**0**	**657,868**
	SHIPBUILDING AND CONVERSION, NAVY						
	FLEET BALLISTIC MISSILE SHIPS						
1	OHIO REPLACEMENT SUBMARINE (AP)	0	773,138			0	773,138
	OTHER WARSHIPS						
2	CARRIER REPLACEMENT PROGRAM	0	1,291,783			0	1,291,783
3	CARRIER REPLACEMENT PROGRAM (AP)	0	1,370,784			0	1,370,784
4	VIRGINIA CLASS SUBMARINE	2	3,187,985			2	3,187,985
5	VIRGINIA CLASS SUBMARINE (AP)	0	1,767,234			0	1,767,234
6	CVN REFUELING OVERHAULS	0	1,743,220			0	1,743,220
7	CVN REFUELING OVERHAULS (AP)	0	248,599			0	248,599
8	DDG 1000	0	271,756			0	271,756
9	DDG–51	2	3,211,292	0	49,800	2	3,261,092
	Fund additional FY16 destroyer			[0]	[49,800]		
11	LITTORAL COMBAT SHIP	2	1,125,625	0	–28,000	2	1,097,625
	Unjustified growth			[0]	[–28,000]		
	AMPHIBIOUS SHIPS						
13	AMPHIBIOUS SHIP REPLACEMENT LX(R) (AP)	0		0	50,000	0	50,000
	Advanced procurement for LX (R)			[0]	[50,000]		

16	LHA REPLACEMENT	1	1,623,024			1	1,623,024
	AUXILIARIES, CRAFT AND PRIOR YR PROGRAM COST						
20	TAO FLEET OILER (AP)	0	73,079			0	73,079
22	MOORED TRAINING SHIP	1	624,527			1	624,527
25	OUTFITTING	0	666,158			0	666,158
26	SHIP TO SHORE CONNECTOR	2	128,067			2	128,067
27	SERVICE CRAFT	0	65,192			0	65,192
28	LCAC SLEP	0	1,774			0	1,774
29	YP CRAFT MAINTENANCE/ROH/SLEP	0	21,363			0	21,363
30	COMPLETION OF PY SHIPBUILDING PROGRAMS	0	160,274			0	160,274
	TOTAL SHIPBUILDING AND CONVERSION, NAVY	**10**	**18,354,874**	**0**	**71,800**	**10**	**18,426,674**
	OTHER PROCUREMENT, NAVY						
	SHIP PROPULSION EQUIPMENT						
3	SURFACE POWER EQUIPMENT	0	15,514			0	15,514
4	HYBRID ELECTRIC DRIVE (HED)	0	40,132			0	40,132
	GENERATORS						
5	SURFACE COMBATANT HM&E	0	29,974			0	29,974
	NAVIGATION EQUIPMENT						
6	OTHER NAVIGATION EQUIPMENT	0	63,942			0	63,942
	OTHER SHIPBOARD EQUIPMENT						
8	SUB PERISCOPE, IMAGING AND SUPT EQUIP PROG	0	136,421			0	136,421
9	DDG MOD	0	367,766	0	65,000	0	432,766
	BMD upgrade unfunded requirement			[0]	[65,000]		
10	FIREFIGHTING EQUIPMENT	0	14,743			0	14,743
11	COMMAND AND CONTROL SWITCHBOARD	0	2,140			0	2,140
12	LHA/LHD MIDLIFE	0	24,939			0	24,939
14	POLLUTION CONTROL EQUIPMENT	0	20,191			0	20,191
15	SUBMARINE SUPPORT EQUIPMENT	0	8,995			0	8,995
16	VIRGINIA CLASS SUPPORT EQUIPMENT	0	66,838			0	66,838
17	LCS CLASS SUPPORT EQUIPMENT	0	54,823			0	54,823
18	SUBMARINE BATTERIES	0	23,359			0	23,359
19	LPD CLASS SUPPORT EQUIPMENT	0	40,321			0	40,321
20	DDG 1000 CLASS SUPPORT EQUIPMENT	0	33,404			0	33,404
21	STRATEGIC PLATFORM SUPPORT EQUIP	0	15,836			0	15,836
22	DSSP EQUIPMENT	0	806			0	806

SEC. 4101. PROCUREMENT
(In Thousands of Dollars)

Line	Item	FY 2017 Request		Senate Change		Senate Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
24	LCAC	0	3,090			0	3,090
25	UNDERWATER EOD PROGRAMS	0	24,350			0	24,350
26	ITEMS LESS THAN $5 MILLION	0	88,719			0	88,719
27	CHEMICAL WARFARE DETECTORS	0	2,873			0	2,873
28	SUBMARINE LIFE SUPPORT SYSTEM	0	6,043			0	6,043
	REACTOR PLANT EQUIPMENT						
30	REACTOR COMPONENTS	0	342,158			0	342,158
	OCEAN ENGINEERING						
31	DIVING AND SALVAGE EQUIPMENT	0	8,973			0	8,973
	SMALL BOATS						
32	STANDARD BOATS	0	43,684			0	43,684
	PRODUCTION FACILITIES EQUIPMENT						
34	OPERATING FORCES IPE	0	75,421			0	75,421
	OTHER SHIP SUPPORT						
35	NUCLEAR ALTERATIONS	0	172,718			0	172,718
36	LCS COMMON MISSION MODULES EQUIPMENT	0	27,840	0	–3,700	0	24,140
	Cancelled program (RMS)			[0]	[–3,700]		
37	LCS MCM MISSION MODULES	0	57,146			0	57,146
38	LCS ASW MISSION MODULES	0	31,952			0	31,952
39	LCS SUW MISSION MODULES	0	22,466			0	22,466
	LOGISTIC SUPPORT						
41	LSD MIDLIFE	0	10,813			0	10,813
	SHIP SONARS						
42	SPQ–9B RADAR	0	14,363			0	14,363
43	AN/SQQ–89 SURF ASW COMBAT SYSTEM	0	90,029			0	90,029
45	SSN ACOUSTIC EQUIPMENT	0	248,765			0	248,765
46	UNDERSEA WARFARE SUPPORT EQUIPMENT	0	7,163			0	7,163
	ASW ELECTRONIC EQUIPMENT						
48	SUBMARINE ACOUSTIC WARFARE SYSTEM	0	21,291			0	21,291

49	SSTD	0	6,893			0	6,893
50	FIXED SURVEILLANCE SYSTEM	0	145,701			0	145,701
51	SURTASS	0	36,136	1	10,000	1	46,136
	Additional SURTASS array unfunded requirement			[1]	[10,000]		
	ELECTRONIC WARFARE EQUIPMENT						
53	AN/SLQ–32	0	274,892	1	23,000	1	297,892
	Additional SEWIP Blk 3 unfunded requirement			[1]	[23,000]		
	RECONNAISSANCE EQUIPMENT						
54	SHIPBOARD IW EXPLOIT	0	170,733			0	170,733
55	AUTOMATED IDENTIFICATION SYSTEM (AIS)	0	958			0	958
	OTHER SHIP ELECTRONIC EQUIPMENT						
57	COOPERATIVE ENGAGEMENT CAPABILITY	0	22,034			0	22,034
59	NAVAL TACTICAL COMMAND SUPPORT SYSTEM (NTCSS)	0	12,336			0	12,336
60	ATDLS	0	30,105			0	30,105
61	NAVY COMMAND AND CONTROL SYSTEM (NCCS)	0	4,556			0	4,556
62	MINESWEEPING SYSTEM REPLACEMENT	0	56,675	0	–24,500	0	32,175
	Ahead of need			[0]	[–24,500]		
63	SHALLOW WATER MCM	0	8,875			0	8,875
64	NAVSTAR GPS RECEIVERS (SPACE)	0	12,752			0	12,752
65	AMERICAN FORCES RADIO AND TV SERVICE	0	4,577			0	4,577
66	STRATEGIC PLATFORM SUPPORT EQUIP	0	8,972			0	8,972
	AVIATION ELECTRONIC EQUIPMENT						
69	ASHORE ATC EQUIPMENT	0	75,068			0	75,068
70	AFLOAT ATC EQUIPMENT	0	33,484			0	33,484
76	ID SYSTEMS	0	22,177			0	22,177
77	NAVAL MISSION PLANNING SYSTEMS	0	14,273			0	14,273
	OTHER SHORE ELECTRONIC EQUIPMENT						
80	TACTICAL/MOBILE C4I SYSTEMS	0	27,927			0	27,927
81	DCGS-N	0	12,676			0	12,676
82	CANES	0	212,030			0	212,030
83	RADIAC	0	8,092			0	8,092
84	CANES-INTELL	0	36,013			0	36,013
85	GPETE	0	6,428			0	6,428
87	INTEG COMBAT SYSTEM TEST FACILITY	0	8,376			0	8,376
88	EMI CONTROL INSTRUMENTATION	0	3,971			0	3,971
89	ITEMS LESS THAN $5 MILLION	0	58,721			0	58,721

SEC. 4101. PROCUREMENT
(In Thousands of Dollars)

Line	Item	FY 2017 Request		Senate Change		Senate Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
	SHIPBOARD COMMUNICATIONS						
90	SHIPBOARD TACTICAL COMMUNICATIONS	0	17,366			0	17,366
91	SHIP COMMUNICATIONS AUTOMATION	0	102,479			0	102,479
92	COMMUNICATIONS ITEMS UNDER $5M	0	10,403			0	10,403
	SUBMARINE COMMUNICATIONS						
93	SUBMARINE BROADCAST SUPPORT	0	34,151			0	34,151
94	SUBMARINE COMMUNICATION EQUIPMENT	0	64,529			0	64,529
	SATELLITE COMMUNICATIONS						
95	SATELLITE COMMUNICATIONS SYSTEMS	0	14,414			0	14,414
96	NAVY MULTIBAND TERMINAL (NMT)	0	38,365			0	38,365
	SHORE COMMUNICATIONS						
97	JCS COMMUNICATIONS EQUIPMENT	0	4,156			0	4,156
	CRYPTOGRAPHIC EQUIPMENT						
99	INFO SYSTEMS SECURITY PROGRAM (ISSP)	0	85,694			0	85,694
100	MIO INTEL EXPLOITATION TEAM	0	920			0	920
	CRYPTOLOGIC EQUIPMENT						
101	CRYPTOLOGIC COMMUNICATIONS EQUIP	0	21,098			0	21,098
	OTHER ELECTRONIC SUPPORT						
102	COAST GUARD EQUIPMENT	0	32,291			0	32,291
	SONOBUOYS						
103	SONOBUOYS—ALL TYPES	0	162,588			0	162,588
	AIRCRAFT SUPPORT EQUIPMENT						
104	WEAPONS RANGE SUPPORT EQUIPMENT	0	58,116			0	58,116
105	AIRCRAFT SUPPORT EQUIPMENT	0	120,324			0	120,324
106	METEOROLOGICAL EQUIPMENT	0	29,253			0	29,253
107	DCRS/DPL	0	632			0	632
108	AIRBORNE MINE COUNTERMEASURES	0	29,097			0	29,097
109	AVIATION SUPPORT EQUIPMENT	0	39,099			0	39,099
	SHIP GUN SYSTEM EQUIPMENT						

110	SHIP GUN SYSTEMS EQUIPMENT	0	6,191	0	6,191
	SHIP MISSILE SYSTEMS EQUIPMENT				
111	SHIP MISSILE SUPPORT EQUIPMENT	0	320,446	0	320,446
112	TOMAHAWK SUPPORT EQUIPMENT	0	71,046	0	71,046
	FBM SUPPORT EQUIPMENT				
113	STRATEGIC MISSILE SYSTEMS EQUIP	0	215,138	0	215,138
	ASW SUPPORT EQUIPMENT				
114	SSN COMBAT CONTROL SYSTEMS	0	130,715	0	130,715
115	ASW SUPPORT EQUIPMENT	0	26,431	0	26,431
	OTHER ORDNANCE SUPPORT EQUIPMENT				
116	EXPLOSIVE ORDNANCE DISPOSAL EQUIP	0	11,821	0	11,821
117	ITEMS LESS THAN $5 MILLION	0	6,243	0	6,243
	OTHER EXPENDABLE ORDNANCE				
118	SUBMARINE TRAINING DEVICE MODS	0	48,020	0	48,020
120	SURFACE TRAINING EQUIPMENT	0	97,514	0	97,514
	CIVIL ENGINEERING SUPPORT EQUIPMENT				
121	PASSENGER CARRYING VEHICLES	0	8,853	0	8,853
122	GENERAL PURPOSE TRUCKS	0	4,928	0	4,928
123	CONSTRUCTION & MAINTENANCE EQUIP	0	18,527	0	18,527
124	FIRE FIGHTING EQUIPMENT	0	13,569	0	13,569
125	TACTICAL VEHICLES	0	14,917	0	14,917
126	AMPHIBIOUS EQUIPMENT	0	7,676	0	7,676
127	POLLUTION CONTROL EQUIPMENT	0	2,321	0	2,321
128	ITEMS UNDER $5 MILLION	0	12,459	0	12,459
129	PHYSICAL SECURITY VEHICLES	0	1,095	0	1,095
	SUPPLY SUPPORT EQUIPMENT				
131	SUPPLY EQUIPMENT	0	16,023	0	16,023
133	FIRST DESTINATION TRANSPORTATION	0	5,115	0	5,115
134	SPECIAL PURPOSE SUPPLY SYSTEMS	0	295,471	0	295,471
	TRAINING DEVICES				
136	TRAINING AND EDUCATION EQUIPMENT	0	9,504	0	9,504
	COMMAND SUPPORT EQUIPMENT				
137	COMMAND SUPPORT EQUIPMENT	0	37,180	0	37,180
139	MEDICAL SUPPORT EQUIPMENT	0	4,128	0	4,128
141	NAVAL MIP SUPPORT EQUIPMENT	0	1,925	0	1,925
142	OPERATING FORCES SUPPORT EQUIPMENT	0	4,777	0	4,777

SEC. 4101. PROCUREMENT
(In Thousands of Dollars)

Line	Item	FY 2017 Request		Senate Change		Senate Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
143	C4ISR EQUIPMENT	0	9,073			0	9,073
144	ENVIRONMENTAL SUPPORT EQUIPMENT	0	21,107			0	21,107
145	PHYSICAL SECURITY EQUIPMENT	0	100,906			0	100,906
146	ENTERPRISE INFORMATION TECHNOLOGY	0	67,544			0	67,544
	OTHER						
150	NEXT GENERATION ENTERPRISE SERVICE	0	98,216			0	98,216
	CLASSIFIED PROGRAMS						
160	CLASSIFIED PROGRAMS	0	9,915			0	9,915
	SPARES AND REPAIR PARTS						
151	SPARES AND REPAIR PARTS	0	199,660			0	199,660
	TOTAL OTHER PROCUREMENT, NAVY	**0**	**6,338,861**	**2**	**69,800**	**2**	**6,408,661**
	PROCUREMENT, MARINE CORPS						
	TRACKED COMBAT VEHICLES						
1	AAV7A1 PIP	0	73,785			0	73,785
2	LAV PIP	0	53,423			0	53,423
	ARTILLERY AND OTHER WEAPONS						
3	EXPEDITIONARY FIRE SUPPORT SYSTEM	0	3,360			0	3,360
4	155MM LIGHTWEIGHT TOWED HOWITZER	0	3,318			0	3,318
5	HIGH MOBILITY ARTILLERY ROCKET SYSTEM	0	33,725			0	33,725
6	WEAPONS AND COMBAT VEHICLES UNDER $5 MILLION	0	8,181			0	8,181
	OTHER SUPPORT						
7	MODIFICATION KITS	0	15,250			0	15,250
	GUIDED MISSILES						
9	GROUND BASED AIR DEFENSE	0	9,170			0	9,170
10	JAVELIN	0	1,009			0	1,009
11	FOLLOW ON TO SMAW	0	24,666			0	24,666
12	ANTI-ARMOR WEAPONS SYSTEM-HEAVY (AAWS-H)	0	17,080			0	17,080
	COMMAND AND CONTROL SYSTEMS						

15	COMMON AVIATION COMMAND AND CONTROL SYSTEM (C	0	47,312	0	47,312
	REPAIR AND TEST EQUIPMENT				
16	REPAIR AND TEST EQUIPMENT	0	16,469	0	16,469
	COMMAND AND CONTROL SYSTEM (NON-TEL)				
19	ITEMS UNDER $5 MILLION (COMM & ELEC)	0	7,433	0	7,433
20	AIR OPERATIONS C2 SYSTEMS	0	15,917	0	15,917
	RADAR + EQUIPMENT (NON-TEL)				
21	RADAR SYSTEMS	0	17,772	0	17,772
22	GROUND/AIR TASK ORIENTED RADAR (G/ATOR)	3	123,758	3	123,758
23	RQ–21 UAS	4	80,217	4	80,217
	INTELL/COMM EQUIPMENT (NON-TEL)				
24	GCSS-MC	0	1,089	0	1,089
25	FIRE SUPPORT SYSTEM	0	13,258	0	13,258
26	INTELLIGENCE SUPPORT EQUIPMENT	0	56,379	0	56,379
29	RQ–11 UAV	0	1,976	0	1,976
31	DCGS-MC	0	1,149	0	1,149
32	UAS PAYLOADS	0	2,971	0	2,971
	OTHER SUPPORT (NON-TEL)				
34	NEXT GENERATION ENTERPRISE NETWORK (NGEN)	0	76,302	0	76,302
35	COMMON COMPUTER RESOURCES	0	41,802	0	41,802
36	COMMAND POST SYSTEMS	0	90,924	0	90,924
37	RADIO SYSTEMS	0	43,714	0	43,714
38	COMM SWITCHING & CONTROL SYSTEMS	0	66,383	0	66,383
39	COMM & ELEC INFRASTRUCTURE SUPPORT	0	30,229	0	30,229
	CLASSIFIED PROGRAMS				
40	CLASSIFIED PROGRAMS	0	2,738	0	2,738
	ADMINISTRATIVE VEHICLES				
41	COMMERCIAL CARGO VEHICLES	0	88,312	0	88,312
	TACTICAL VEHICLES				
43	MOTOR TRANSPORT MODIFICATIONS	0	13,292	0	13,292
45	JOINT LIGHT TACTICAL VEHICLE	192	113,230	192	113,230
46	FAMILY OF TACTICAL TRAILERS	0	2,691	0	2,691
	ENGINEER AND OTHER EQUIPMENT				
48	ENVIRONMENTAL CONTROL EQUIP ASSORT	0	18	0	18
50	TACTICAL FUEL SYSTEMS	0	78	0	78
51	POWER EQUIPMENT ASSORTED	0	17,973	0	17,973

SEC. 4101. PROCUREMENT
(In Thousands of Dollars)

Line	Item	FY 2017 Request		Senate Change		Senate Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
52	AMPHIBIOUS SUPPORT EQUIPMENT	0	7,371			0	7,371
53	EOD SYSTEMS	0	14,021			0	14,021
	MATERIALS HANDLING EQUIPMENT						
54	PHYSICAL SECURITY EQUIPMENT	0	31,523			0	31,523
	GENERAL PROPERTY						
58	TRAINING DEVICES	0	33,658			0	33,658
60	FAMILY OF CONSTRUCTION EQUIPMENT	0	21,315			0	21,315
61	FAMILY OF INTERNALLY TRANSPORTABLE VEH (ITV)	0	9,654			0	9,654
	OTHER SUPPORT						
62	ITEMS LESS THAN $5 MILLION	0	6,026			0	6,026
	SPARES AND REPAIR PARTS						
64	SPARES AND REPAIR PARTS	0	22,848			0	22,848
	TOTAL PROCUREMENT, MARINE CORPS	**199**	**1,362,769**	**0**	**0**	**199**	**1,362,769**
	AIRCRAFT PROCUREMENT, AIR FORCE						
	TACTICAL FORCES						
1	F–35	43	4,401,894			43	4,401,894
2	F–35 (AP)	0	404,500			0	404,500
	TACTICAL AIRLIFT						
3	KC–46A TANKER	15	2,884,591			15	2,884,591
	OTHER AIRLIFT						
4	C–130J	2	145,655			2	145,655
6	HC–130J	3	317,576			3	317,576
7	HC–130J (AP)	0	20,000			0	20,000
8	MC–130J	6	548,358			6	548,358
9	MC–130J (AP)	0	50,000			0	50,000
	HELICOPTERS						
10	UUH–1N REPLACEMENT	0	18,337	8	302,300	8	320,637
	HH–60 Blackhawks, initial spares, and support equipment			[8]	[302,300]		

	MISSION SUPPORT AIRCRAFT						
12	CIVIL AIR PATROL A/C	6	2,637			6	2,637
	OTHER AIRCRAFT						
13	TARGET DRONES	41	114,656			41	114,656
14	RQ–4	0	12,966			0	12,966
15	MQ–9	0	122,522	0	–87,000	0	35,522
	Air Force requested realignment			[0]	[–87,000]		
	STRATEGIC AIRCRAFT						
16	B–2A	0	46,729			0	46,729
17	B–1B	0	116,319			0	116,319
18	B–52	0	109,020			0	109,020
	TACTICAL AIRCRAFT						
20	A–10	0	1,289			0	1,289
21	F–15	0	105,685			0	105,685
22	F–16	0	97,331	0	88,300	0	185,631
	Active missile warning system			[0]	[12,000]		
	Anti-jam global positioning system (GPS) upgrade			[0]	[5,000]		
	Digital radar warning system			[0]	[23,000]		
	Multi-mission computer and MIDS-JTRS			[0]	[48,300]		
23	F–22A	0	163,008			0	163,008
24	F–35 MODIFICATIONS	0	175,811			0	175,811
25	INCREMENT 3.2B	0	76,410			0	76,410
26	INCREMENT 3.2B (AP)	0	2,000			0	2,000
	AIRLIFT AIRCRAFT						
27	C–5	0	24,192			0	24,192
29	C–17A	0	21,555			0	21,555
30	C–21	0	5,439			0	5,439
31	C–32A	0	35,235			0	35,235
32	C–37A	0	5,004			0	5,004
	TRAINER AIRCRAFT						
33	GLIDER MODS	0	394			0	394
34	T–6	0	12,765			0	12,765
35	T–1	0	25,073			0	25,073
36	T–38	0	45,090			0	45,090
	OTHER AIRCRAFT						
37	U–2 MODS	0	36,074			0	36,074

SEC. 4101. PROCUREMENT
(In Thousands of Dollars)

Line	Item	FY 2017 Request		Senate Change		Senate Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
38	KC–10A (ATCA)	0	4,570			0	4,570
39	C–12	0	1,995			0	1,995
40	VC–25A MOD	0	102,670			0	102,670
41	C–40	0	13,984			0	13,984
42	C–130	0	9,168			0	9,168
43	C–130J MODS	0	89,424			0	89,424
44	C–135	0	64,161			0	64,161
45	COMPASS CALL MODS	0	130,257	0	25,600	0	155,857
	Air Force requested realignment from Initial Spares			[0]	[25,600]		
46	RC–135	0	211,438			0	211,438
47	E–3	0	82,786			0	82,786
48	E–4	0	53,348			0	53,348
49	E–8	0	6,244			0	6,244
50	AIRBORNE WARNING AND CONTROL SYSTEM	0	223,427			0	223,427
51	FAMILY OF BEYOND LINE-OF-SIGHT TERMINALS	3	4,673			3	4,673
52	H–1	0	9,007			0	9,007
54	H–60	0	91,357			0	91,357
55	RQ–4 MODS	0	32,045			0	32,045
56	HC/MC–130 MODIFICATIONS	0	30,767			0	30,767
57	OTHER AIRCRAFT	0	33,886			0	33,886
59	MQ–9 MODS	0	141,929			0	141,929
60	CV–22 MODS	0	63,395			0	63,395
	AIRCRAFT SPARES AND REPAIR PARTS						
61	INITIAL SPARES/REPAIR PARTS	0	686,491	0	61,400	0	747,891
	Air Force requested realignment			[0]	[–25,600]		
	Air Force requested realignment from MQ–9			[0]	[87,000]		
	COMMON SUPPORT EQUIPMENT						
62	AIRCRAFT REPLACEMENT SUPPORT EQUIP	0	121,935			0	121,935
	POST PRODUCTION SUPPORT						

63	B–2A	0	154			0	154
64	B–2A	0	43,330			0	43,330
65	B–52	0	28,125			0	28,125
66	C–17A	0	23,559			0	23,559
69	F–15	0	2,980			0	2,980
70	F–16	0	15,155			0	15,155
71	F–22A	0	48,505			0	48,505
74	RQ–4 POST PRODUCTION CHARGES	0	99			0	99
	INDUSTRIAL PREPAREDNESS						
75	INDUSTRIAL RESPONSIVENESS	0	14,126			0	14,126
	WAR CONSUMABLES						
76	WAR CONSUMABLES	0	120,036			0	120,036
	OTHER PRODUCTION CHARGES						
77	OTHER PRODUCTION CHARGES	0	1,252,824			0	1,252,824
	CLASSIFIED PROGRAMS						
78	CLASSIFIED PROGRAMS	0	16,952			0	16,952
	TOTAL AIRCRAFT PROCUREMENT, AIR FORCE	**119**	**13,922,917**	**8**	**390,600**	**127**	**14,313,517**
	MISSILE PROCUREMENT, AIR FORCE						
	MISSILE REPLACEMENT EQUIPMENT—BALLISTIC						
1	MISSILE REPLACEMENT EQ-BALLISTIC	0	70,247			0	70,247
	TACTICAL						
2	JOINT AIR-SURFACE STANDOFF MISSILE	360	431,645			360	431,645
3	LRASM0	20	59,511			20	59,511
4	SIDEWINDER (AIM–9X)	287	127,438			287	127,438
5	AMRAAM	256	350,144			256	350,144
6	PREDATOR HELLFIRE MISSILE	284	33,955			284	33,955
7	SMALL DIAMETER BOMB	312	92,361			312	92,361
	INDUSTRIAL FACILITIES						
8	INDUSTR'L PREPAREDNS/POL PREVENTION	0	977			0	977
	CLASS IV						
9	ICBM FUZE MOD	0	17,095			0	17,095
10	MM III MODIFICATIONS	0	68,692			0	68,692
11	AGM–65D MAVERICK	0	282			0	282
13	AIR LAUNCH CRUISE MISSILE (ALCM)	0	21,762			0	21,762
14	SMALL DIAMETER BOMB	0	15,349			0	15,349

SEC. 4101. PROCUREMENT
(In Thousands of Dollars)

Line	Item	FY 2017 Request		Senate Change		Senate Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
	MISSILE SPARES AND REPAIR PARTS						
15	INITIAL SPARES/REPAIR PARTS	0	81,607			0	81,607
	SPECIAL PROGRAMS						
30	SPECIAL UPDATE PROGRAMS	0	46,125			0	46,125
	CLASSIFIED PROGRAMS						
31	CLASSIFIED PROGRAMS	0	1,009,431			0	1,009,431
	TOTAL MISSILE PROCUREMENT, AIR FORCE	**1,519**	**2,426,621**	**0**	**0**	**1,519**	**2,426,621**
	SPACE PROCUREMENT, AIR FORCE						
	SPACE PROGRAMS						
1	ADVANCED EHF	0	645,569			0	645,569
2	AF SATELLITE COMM SYSTEM	0	42,375			0	42,375
3	COUNTERSPACE SYSTEMS	0	26,984			0	26,984
4	FAMILY OF BEYOND LINE-OF-SIGHT TERMINALS	16	88,963			16	88,963
5	WIDEBAND GAPFILLER SATELLITES(SPACE)	0	86,272			0	86,272
6	GPS III SPACE SEGMENT	0	34,059			0	34,059
7	GLOBAL POSTIONING (SPACE)	0	2,169			0	2,169
8	SPACEBORNE EQUIP (COMSEC)	0	46,708			0	46,708
9	GLOBAL POSITIONING (SPACE)	0	13,171			0	13,171
10	MILSATCOM	0	41,799			0	41,799
11	EVOLVED EXPENDABLE LAUNCH CAPABILITY	0	768,586			0	768,586
12	EVOLVED EXPENDABLE LAUNCH VEH(SPACE)	5	737,853			5	737,853
13	SBIR HIGH (SPACE)	0	362,504			0	362,504
14	NUDET DETECTION SYSTEM	0	4,395			0	4,395
15	SPACE MODS	0	8,642			0	8,642
16	SPACELIFT RANGE SYSTEM SPACE	0	123,088			0	123,088
	SPARES						
17	INITIAL SPARES/REPAIR PARTS	0	22,606			0	22,606
	TOTAL SPACE PROCUREMENT, AIR FORCE	**21**	**3,055,743**	**0**	**0**	**21**	**3,055,743**

	PROCUREMENT OF AMMUNITION, AIR FORCE						
	ROCKETS						
1	ROCKETS	0	18,734			0	18,734
	CARTRIDGES						
2	CARTRIDGES	0	220,237			0	220,237
	BOMBS						
3	PRACTICE BOMBS	0	97,106			0	97,106
4	GENERAL PURPOSE BOMBS	0	581,561			0	581,561
5	MASSIVE ORDNANCE PENETRATOR (MOP)	0	3,600			0	3,600
6	JOINT DIRECT ATTACK MUNITION	12,133	303,988			12,133	303,988
	OTHER ITEMS						
7	CAD/PAD	0	38,890			0	38,890
8	EXPLOSIVE ORDNANCE DISPOSAL (EOD)	0	5,714			0	5,714
9	SPARES AND REPAIR PARTS	0	740			0	740
10	MODIFICATIONS	0	573			0	573
11	ITEMS LESS THAN $5 MILLION	0	5,156			0	5,156
	FLARES						
12	FLARES	0	134,709			0	134,709
	FUZES						
13	FUZES	0	229,252			0	229,252
	SMALL ARMS						
14	SMALL ARMS	0	37,459			0	37,459
	TOTAL PROCUREMENT OF AMMUNITION, AIR FORCE	**12,133**	**1,677,719**	**0**	**0**	**12,133**	**1,677,719**
	OTHER PROCUREMENT, AIR FORCE						
	PASSENGER CARRYING VEHICLES						
1	PASSENGER CARRYING VEHICLES	0	14,437			0	14,437
	CARGO AND UTILITY VEHICLES						
2	MEDIUM TACTICAL VEHICLE	0	24,812			0	24,812
3	CAP VEHICLES	0	984			0	984
4	ITEMS LESS THAN $5 MILLION	0	11,191			0	11,191
	SPECIAL PURPOSE VEHICLES						
5	SECURITY AND TACTICAL VEHICLES	0	5,361			0	5,361
6	ITEMS LESS THAN $5 MILLION	0	4,623			0	4,623
	FIRE FIGHTING EQUIPMENT						

SEC. 4101. PROCUREMENT
(In Thousands of Dollars)

Line	Item	FY 2017 Request		Senate Change		Senate Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
7	FIRE FIGHTING/CRASH RESCUE VEHICLES	0	12,451			0	12,451
	MATERIALS HANDLING EQUIPMENT						
8	ITEMS LESS THAN $5 MILLION	0	18,114			0	18,114
	BASE MAINTENANCE SUPPORT						
9	RUNWAY SNOW REMOV & CLEANING EQUIP	0	2,310			0	2,310
10	ITEMS LESS THAN $5 MILLION	0	46,868			0	46,868
	COMM SECURITY EQUIPMENT(COMSEC)						
12	COMSEC EQUIPMENT	0	72,359			0	72,359
	INTELLIGENCE PROGRAMS						
14	INTELLIGENCE TRAINING EQUIPMENT	0	6,982			0	6,982
15	INTELLIGENCE COMM EQUIPMENT	0	30,504	0	5,100	0	35,604
	Air Force requested realignment from AFNET			[0]	[5,100]		
	ELECTRONICS PROGRAMS						
16	AIR TRAFFIC CONTROL & LANDING SYS	0	55,803			0	55,803
17	NATIONAL AIRSPACE SYSTEM	0	2,673			0	2,673
18	BATTLE CONTROL SYSTEM—FIXED	0	5,677			0	5,677
19	THEATER AIR CONTROL SYS IMPROVEMENTS	0	1,163			0	1,163
20	WEATHER OBSERVATION FORECAST	0	21,667			0	21,667
21	STRATEGIC COMMAND AND CONTROL	0	39,803			0	39,803
22	CHEYENNE MOUNTAIN COMPLEX	0	24,618			0	24,618
23	MISSION PLANNING SYSTEMS	0	15,868			0	15,868
25	INTEGRATED STRAT PLAN & ANALY NETWORK (ISPAN)	0	9,331			0	9,331
	SPCL COMM-ELECTRONICS PROJECTS						
26	GENERAL INFORMATION TECHNOLOGY	0	41,779			0	41,779
27	AF GLOBAL COMMAND & CONTROL SYS	0	15,729			0	15,729
28	MOBILITY COMMAND AND CONTROL	0	9,814			0	9,814
29	AIR FORCE PHYSICAL SECURITY SYSTEM	0	99,460			0	99,460
30	COMBAT TRAINING RANGES	0	34,850			0	34,850
31	MINIMUM ESSENTIAL EMERGENCY COMM N	0	198,925			0	198,925

32	WIDE AREA SURVEILLANCE (WAS)	0	6,943			0	6,943
33	C3 COUNTERMEASURES	0	19,580			0	19,580
34	GCSS-AF FOS	0	1,743			0	1,743
36	THEATER BATTLE MGT C2 SYSTEM	0	9,659			0	9,659
37	AIR & SPACE OPERATIONS CTR-WPN SYS	0	15,474			0	15,474
38	AIR OPERATIONS CENTER (AOC) 10.2	0	30,623			0	30,623
	AIR FORCE COMMUNICATIONS						
39	INFORMATION TRANSPORT SYSTEMS	0	40,043			0	40,043
40	AFNET	0	146,897	0	–5,100	0	141,797
	Air Force requested realignment			[0]	[–5,100]		
41	JOINT COMMUNICATIONS SUPPORT ELEMENT (JCSE)	0	5,182			0	5,182
42	USCENTCOM	0	13,418			0	13,418
	ORGANIZATION AND BASE						
52	TACTICAL C-E EQUIPMENT	0	109,836			0	109,836
53	RADIO EQUIPMENT	0	16,266			0	16,266
54	CCTV/AUDIOVISUAL EQUIPMENT	0	7,449			0	7,449
55	BASE COMM INFRASTRUCTURE	0	109,215			0	109,215
	MODIFICATIONS						
56	COMM ELECT MODS	0	65,700			0	65,700
	PERSONAL SAFETY & RESCUE EQUIP						
58	ITEMS LESS THAN $5 MILLION	0	54,416			0	54,416
	DEPOT PLANT+MTRLS HANDLING EQ						
59	MECHANIZED MATERIAL HANDLING EQUIP	0	7,344			0	7,344
	BASE SUPPORT EQUIPMENT						
60	BASE PROCURED EQUIPMENT	0	6,852			0	6,852
63	MOBILITY EQUIPMENT	0	8,146			0	8,146
64	ITEMS LESS THAN $5 MILLION	0	28,427			0	28,427
	SPECIAL SUPPORT PROJECTS						
66	DARP RC135	0	25,287			0	25,287
67	DCGS-AF	0	169,201			0	169,201
69	SPECIAL UPDATE PROGRAM	0	576,710			0	576,710
	CLASSIFIED PROGRAMS						
70	CLASSIFIED PROGRAMS	0	15,119,705			0	15,119,705
	SPARES AND REPAIR PARTS						
72	SPARES AND REPAIR PARTS	0	15,784			0	15,784
	TOTAL OTHER PROCUREMENT, AIR FORCE	**0**	**17,438,056**	**0**	**0**	**0**	**17,438,056**

SEC. 4101. PROCUREMENT
(In Thousands of Dollars)

Line	Item	FY 2017 Request		Senate Change		Senate Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
	PROCUREMENT, DEFENSE-WIDE						
	MAJOR EQUIPMENT, OSD						
37	MAJOR EQUIPMENT, OSD	39	29,211	0	–23,100	39	6,111
	Mentor Protégé			[0]	[–23,100]		
	MAJOR EQUIPMENT, NSA						
36	INFORMATION SYSTEMS SECURITY PROGRAM (ISSP)	0	4,399			0	4,399
	MAJOR EQUIPMENT, WHS						
40	MAJOR EQUIPMENT, WHS	0	24,979			0	24,979
	MAJOR EQUIPMENT, DISA						
6	INFORMATION SYSTEMS SECURITY	0	21,347			0	21,347
7	TELEPORT PROGRAM	0	50,597			0	50,597
8	ITEMS LESS THAN $5 MILLION	0	10,420			0	10,420
9	NET CENTRIC ENTERPRISE SERVICES (NCES)	0	1,634			0	1,634
10	DEFENSE INFORMATION SYSTEM NETWORK	0	87,235			0	87,235
11	CYBER SECURITY INITIATIVE	0	4,528			0	4,528
12	WHITE HOUSE COMMUNICATION AGENCY	0	36,846			0	36,846
13	SENIOR LEADERSHIP ENTERPRISE	0	599,391			0	599,391
15	JOINT REGIONAL SECURITY STACKS (JRSS)	0	150,221			0	150,221
	MAJOR EQUIPMENT, DLA						
17	MAJOR EQUIPMENT	0	2,055			0	2,055
	MAJOR EQUIPMENT, DSS						
20	MAJOR EQUIPMENT	0	1,057			0	1,057
	MAJOR EQUIPMENT, DCAA						
1	ITEMS LESS THAN $5 MILLION	0	2,964			0	2,964
	MAJOR EQUIPMENT, TJS						
38	MAJOR EQUIPMENT, TJS	0	7,988			0	7,988
	MAJOR EQUIPMENT, MISSILE DEFENSE AGENCY						
23	THAAD	24	369,608			24	369,608

24	AEGIS BMD	35	463,801			35	463,801
25	BMDS AN/TPY–2 RADARS	0	5,503			0	5,503
28	AEGIS ASHORE PHASE III	0	57,493			0	57,493
29	IRON DOME	0	42,000			0	42,000
30	AEGIS BMD HARDWARE AND SOFTWARE	6	50,098			6	50,098
	MAJOR EQUIPMENT, DHRA						
3	PERSONNEL ADMINISTRATION	0	14,232			0	14,232
	MAJOR EQUIPMENT, DEFENSE THREAT REDUCTION AGENCY						
21	VEHICLES	0	200			0	200
22	OTHER MAJOR EQUIPMENT	0	6,437			0	6,437
	MAJOR EQUIPMENT, DODEA						
19	AUTOMATION/EDUCATIONAL SUPPORT & LOGISTICS	0	288			0	288
	MAJOR EQUIPMENT, DCMA						
2	MAJOR EQUIPMENT	0	92			0	92
	MAJOR EQUIPMENT, DMACT						
18	MAJOR EQUIPMENT	4	8,060			4	8,060
	CLASSIFIED PROGRAMS						
41	CLASSIFIED PROGRAMS	0	568,864			0	568,864
	AVIATION PROGRAMS						
42	ROTARY WING UPGRADES AND SUSTAINMENT	0	150,396	0	18,600	0	168,996
	OCONUS training loss replacement			[0]	[18,600]		
43	UNMANNED ISR	0	21,190			0	21,190
45	NON-STANDARD AVIATION	0	4,905			0	4,905
46	U–28	0	3,970			0	3,970
47	MH–47 CHINOOK	0	25,022			0	25,022
49	CV–22 MODIFICATION	0	19,008			0	19,008
51	MQ–9 UNMANNED AERIAL VEHICLE	0	10,598	0	14,800	0	25,398
	MQ–9 capability enhancements			[0]	[14,800]		
53	PRECISION STRIKE PACKAGE	0	213,122	0	–13,100	0	200,022
	SOCOM requested transfer			[0]	[–13,100]		
54	AC/MC–130J	0	73,548	0	13,100	0	86,648
	SOCOM requested transfer			[0]	[13,100]		
55	C–130 MODIFICATIONS	0	32,970			0	32,970
	SHIPBUILDING						
56	UNDERWATER SYSTEMS	0	37,098			0	37,098
	AMMUNITION PROGRAMS						

SEC. 4101. PROCUREMENT
(In Thousands of Dollars)

Line	Item	FY 2017 Request		Senate Change		Senate Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
57	ORDNANCE ITEMS <$5M	0	105,267			0	105,267
	OTHER PROCUREMENT PROGRAMS						
58	INTELLIGENCE SYSTEMS	0	79,963			0	79,963
59	DISTRIBUTED COMMON GROUND/SURFACE SYSTEMS	0	13,432			0	13,432
60	OTHER ITEMS <$5M	0	66,436			0	66,436
61	COMBATANT CRAFT SYSTEMS	0	55,820			0	55,820
62	SPECIAL PROGRAMS	0	107,432			0	107,432
63	TACTICAL VEHICLES	0	67,849			0	67,849
64	WARRIOR SYSTEMS <$5M	0	245,781			0	245,781
65	COMBAT MISSION REQUIREMENTS	0	19,566			0	19,566
66	GLOBAL VIDEO SURVEILLANCE ACTIVITIES	0	3,437			0	3,437
67	OPERATIONAL ENHANCEMENTS INTELLIGENCE	0	17,299			0	17,299
69	OPERATIONAL ENHANCEMENTS	0	219,945			0	219,945
	CBDP						
70	CHEMICAL BIOLOGICAL SITUATIONAL AWARENESS	0	148,203			0	148,203
71	CB PROTECTION & HAZARD MITIGATION	0	161,113			0	161,113
	TOTAL PROCUREMENT, DEFENSE-WIDE	**108**	**4,524,918**	**0**	**10,300**	**108**	**4,535,218**
	JOINT URGENT OPERATIONAL NEEDS FUND						
	JOINT URGENT OPERATIONAL NEEDS FUND						
1	JOINT URGENT OPERATIONAL NEEDS FUND	0	99,300			0	99,300
	TOTAL JOINT URGENT OPERATIONAL NEEDS FUND	**0**	**99,300**	**0**	**0**	**0**	**99,300**
	TOTAL PROCUREMENT	**27,440**	**101,971,592**	**106**	**463,384**	**27,546**	**102,434,976**

SEC. 4102. PROCUREMENT FOR OVERSEAS CONTINGENCY OPERATIONS.

SEC. 4102. PROCUREMENT FOR OVERSEAS CONTINGENCY OPERATIONS
(In Thousands of Dollars)

Line	Item	FY 2017 Request		Senate Change		Senate Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
	AIRCRAFT PROCUREMENT, ARMY						
	ROTARY						
6	AH–64 APACHE BLOCK IIIA REMAN	4	78,040			4	78,040
	MODIFICATION OF AIRCRAFT						
15	MULTI SENSOR ABN RECON (MIP)	0	21,400			0	21,400
20	EMARSS SEMA MODS (MIP)	2	42,700			2	42,700
26	RQ–7 UAV MODS	0	1,775			0	1,775
27	UAS MODS	0	4,420			0	4,420
	GROUND SUPPORT AVIONICS						
30	CMWS	0	56,115			0	56,115
31	CIRCM	0	108,721			0	108,721
	TOTAL AIRCRAFT PROCUREMENT, ARMY	**6**	**313,171**	**0**	**0**	**6**	**313,171**
	MISSILE PROCUREMENT, ARMY						
	AIR-TO-SURFACE MISSILE SYSTEM						
4	HELLFIRE SYS SUMMARY	4,055	455,830			4,055	455,830
	ANTI-TANK/ASSAULT MISSILE SYS						
7	JAVELIN (AAWS-M) SYSTEM SUMMARY	83	15,567			83	15,567
8	TOW 2 SYSTEM SUMMARY	815	80,652			815	80,652
10	GUIDED MLRS ROCKET (GMLRS)	698	75,991			698	75,991
12	LETHAL MINIATURE AERIAL MISSILE SYSTEM (LMAMS	10	4,777			10	4,777
	TOTAL MISSILE PROCUREMENT, ARMY	**5,661**	**632,817**	**0**	**0**	**5,661**	**632,817**
	PROCUREMENT OF W&TCV, ARMY						

SEC. 4102. PROCUREMENT FOR OVERSEAS CONTINGENCY OPERATIONS
(In Thousands of Dollars)

Line	Item	FY 2017 Request		Senate Change		Senate Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
	MODIFICATION OF TRACKED COMBAT VEHICLES						
7	PALADIN INTEGRATED MANAGEMENT (PIM)	12	125,184			12	125,184
9	ASSAULT BRIDGE (MOD)	0	5,950			0	5,950
	WEAPONS & OTHER COMBAT VEHICLES						
17	MORTAR SYSTEMS	0	22,410			0	22,410
	TOTAL PROCUREMENT OF W&TCV, ARMY	**12**	**153,544**	**0**	**0**	**12**	**153,544**
	PROCUREMENT OF AMMUNITION, ARMY						
	SMALL/MEDIUM CAL AMMUNITION						
2	CTG, 7.62MM, ALL TYPES	0	9,642			0	9,642
4	CTG, .50 CAL, ALL TYPES	0	6,607			0	6,607
5	CTG, 20MM, ALL TYPES	0	1,077			0	1,077
6	CTG, 25MM, ALL TYPES	0	28,534			0	28,534
7	CTG, 30MM, ALL TYPES	0	20,000			0	20,000
8	CTG, 40MM, ALL TYPES	0	7,423			0	7,423
	MORTAR AMMUNITION						
9	60MM MORTAR, ALL TYPES	0	10,000			0	10,000
10	81MM MORTAR, ALL TYPES	0	2,677			0	2,677
	TANK AMMUNITION						
12	CARTRIDGES, TANK, 105MM AND 120MM, ALL TYPES	0	8,999			0	8,999
	ARTILLERY AMMUNITION						
14	ARTILLERY PROJECTILE, 155MM, ALL TYPES	0	30,348			0	30,348
15	PROJ 155MM EXTENDED RANGE M982	0	140			0	140
16	ARTILLERY PROPELLANTS, FUZES AND PRIMERS, ALL	0	29,655			0	29,655
	MINES						
17	MINES & CLEARING CHARGES, ALL TYPES	0	16,866			0	16,866

	NETWORKED MUNITIONS					
18	SPIDER NETWORK MUNITIONS, ALL TYPES	0	10,353	0	–10,353	0	0
	Early to need			[0]	[–10,353]		
	ROCKETS					
19	SHOULDER LAUNCHED MUNITIONS, ALL TYPES	0	63,210			0	63,210
20	ROCKET, HYDRA 70, ALL TYPES	0	42,851			0	42,851
	OTHER AMMUNITION						
22	DEMOLITION MUNITIONS, ALL TYPES	0	6,373			0	6,373
23	GRENADES, ALL TYPES	0	4,143			0	4,143
24	SIGNALS, ALL TYPES	0	1,852			0	1,852
	MISCELLANEOUS						
27	NON-LETHAL AMMUNITION, ALL TYPES	0	773			0	773
	TOTAL PROCUREMENT OF AMMUNITION, ARMY	**0**	**301,523**	**0**	**–10,353**	**0**	**291,170**
	OTHER PROCUREMENT, ARMY						
	TACTICAL VEHICLES						
2	SEMITRAILERS, FLATBED:	0	4,180			0	4,180
8	FAMILY OF MEDIUM TACTICAL VEH (FMTV)	1,092	299,476			1,092	299,476
10	FAMILY OF HEAVY TACTICAL VEHICLES (FHTV)	51	6,122			51	6,122
11	PLS ESP	0	106,358			0	106,358
12	HVY EXPANDED MOBILE TACTICAL TRUCK EXT SERV	0	203,766			0	203,766
13	TACTICAL WHEELED VEHICLE PROTECTION KITS	0	101,154			0	101,154
14	MODIFICATION OF IN SVC EQUIP	0	155,456			0	155,456
	COMM—JOINT COMMUNICATIONS						
19	WIN-T—GROUND FORCES TACTICAL NETWORK	0	9,572			0	9,572
	COMM—SATELLITE COMMUNICATIONS						
25	SHF TERM	0	24,000			0	24,000
	COMM—INTELLIGENCE COMM						
47	CI AUTOMATION ARCHITECTURE	0	1,550			0	1,550
	INFORMATION SECURITY						
51	COMMUNICATIONS SECURITY (COMSEC)	0	1,928			0	1,928
	COMM—BASE COMMUNICATIONS						

SEC. 4102. PROCUREMENT FOR OVERSEAS CONTINGENCY OPERATIONS
(In Thousands of Dollars)

Line	Item	FY 2017 Request		Senate Change		Senate Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
56	INSTALLATION INFO INFRASTRUCTURE MOD PROGRAM	0	20,510			0	20,510
	ELECT EQUIP—TACT INT REL ACT (TIARA)						
62	DCGS-A (MIP)	0	33,032			0	33,032
64	TROJAN (MIP)	0	3,305			0	3,305
66	CI HUMINT AUTO REPRTING AND COLL(CHARCS)	0	7,233			0	7,233
69	BIOMETRIC TACTICAL COLLECTION DEVICES (MIP)	0	5,670			0	5,670
	ELECT EQUIP—ELECTRONIC WARFARE (EW)						
70	LIGHTWEIGHT COUNTER MORTAR RADAR	0	25,892			0	25,892
74	FAMILY OF PERSISTENT SURVEILLANCE CAPABILITIE	0	11,610			0	11,610
75	COUNTERINTELLIGENCE/SECURITY COUNTERMEASURES	0	23,890			0	23,890
	ELECT EQUIP—TACTICAL SURV. (TAC SURV)						
80	INDIRECT FIRE PROTECTION FAMILY OF SYSTEMS	0	4,270			0	4,270
89	MORTAR FIRE CONTROL SYSTEM	0	2,572			0	2,572
	ELECT EQUIP—TACTICAL C2 SYSTEMS						
92	AIR & MSL DEFENSE PLANNING & CONTROL SYS	31	69,958			31	69,958
	ELECT EQUIP—AUTOMATION						
102	AUTOMATED DATA PROCESSING EQUIP	0	9,900			0	9,900
	ELECT EQUIP—AUDIO VISUAL SYS (A/V)						
108	ITEMS LESS THAN $5M (SURVEYING EQUIPMENT)	0	96			0	96
	CHEMICAL DEFENSIVE EQUIPMENT						
114	CBRN DEFENSE	0	1,841			0	1,841
	BRIDGING EQUIPMENT						
115	TACTICAL BRIDGING	0	26,000			0	26,000
	ENGINEER (NON-CONSTRUCTION) EQUIPMENT						
124	ROBOTICS AND APPLIQUE SYSTEMS	0	268			0	268
128	FAMILY OF BOATS AND MOTORS	0	280			0	280

	COMBAT SERVICE SUPPORT EQUIPMENT						
129	HEATERS AND ECU'S	0	894			0	894
134	FORCE PROVIDER	0	53,800			0	53,800
135	FIELD FEEDING EQUIPMENT	0	2,665			0	2,665
136	CARGO AERIAL DEL & PERSONNEL PARACHUTE SYSTEM	0	2,400			0	2,400
137	FAMILY OF ENGR COMBAT AND CONSTRUCTION SETS	0	9,789			0	9,789
138	ITEMS LESS THAN $5M (ENG SPT)	0	300			0	300
	PETROLEUM EQUIPMENT						
139	QUALITY SURVEILLANCE EQUIPMENT	0	4,800			0	4,800
140	DISTRIBUTION SYSTEMS, PETROLEUM & WATER	174	78,240			174	78,240
	MEDICAL EQUIPMENT						
141	COMBAT SUPPORT MEDICAL	0	5,763			0	5,763
	MAINTENANCE EQUIPMENT						
142	MOBILE MAINTENANCE EQUIPMENT SYSTEMS	0	1,609			0	1,609
143	ITEMS LESS THAN $5.0M (MAINT EQ)	0	145			0	145
	CONSTRUCTION EQUIPMENT						
144	GRADER, ROAD MTZD, HVY, 6X4 (CCE)	0	3,047			0	3,047
148	TRACTOR, FULL TRACKED	0	4,426			0	4,426
151	HIGH MOBILITY ENGINEER EXCAVATOR (HMEE)	0	2,900			0	2,900
155	ITEMS LESS THAN $5.0M (CONST EQUIP)	0	96			0	96
	GENERATORS						
158	GENERATORS AND ASSOCIATED EQUIP	0	31,761			0	31,761
	MATERIAL HANDLING EQUIPMENT						
160	FAMILY OF FORKLIFTS	0	846			0	846
	TEST MEASURE AND DIG EQUIPMENT (TMD)						
168	TEST EQUIPMENT MODERNIZATION (TEMOD)	0	1,140			0	1,140
	OTHER SUPPORT EQUIPMENT						
170	RAPID EQUIPPING SOLDIER SUPPORT EQUIPMENT	0	8,500			0	8,500
	TOTAL OTHER PROCUREMENT, ARMY	**1,348**	**1,373,010**	**0**	**0**	**1,348**	**1,373,010**

JOINT IMPROVISED-THREAT DEFEAT FUND
NETWORK ATTACK

SEC. 4102. PROCUREMENT FOR OVERSEAS CONTINGENCY OPERATIONS
(In Thousands of Dollars)

Line	Item	FY 2017 Request		Senate Change		Senate Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
1	RAPID ACQUISITION AND THREAT RESPONSE	0	345,472			0	345,472
	STAFF AND INFRASTRUCTURE						
2	MISSION ENABLERS	0	62,800			0	62,800
	TOTAL JOINT IMPROVISED-THREAT DEFEAT FUND	**0**	**408,272**	**0**	**0**	**0**	**408,272**
	AIRCRAFT PROCUREMENT, NAVY						
	COMBAT AIRCRAFT						
2	F/A–18E/F (FIGHTER) HORNET	2	184,912			2	184,912
	OTHER AIRCRAFT						
26	STUASLO UAV	4	70,000			4	70,000
	MODIFICATION OF AIRCRAFT						
35	SH–60 SERIES	0	3,000			0	3,000
36	H–1 SERIES	0	3,740			0	3,740
37	EP–3 SERIES	0	7,505			0	7,505
47	SPECIAL PROJECT AIRCRAFT	0	14,869			0	14,869
51	COMMON ECM EQUIPMENT	0	98,240			0	98,240
59	V–22 (TILT/ROTOR ACFT) OSPREY	0	8,740			0	8,740
	AIRCRAFT SPARES AND REPAIR PARTS						
63	SPARES AND REPAIR PARTS	0	1,500			0	1,500
	AIRCRAFT SUPPORT EQUIP & FACILITIES						
65	AIRCRAFT INDUSTRIAL FACILITIES	0	524			0	524
	TOTAL AIRCRAFT PROCUREMENT, NAVY	**6**	**393,030**	**0**	**0**	**6**	**393,030**
	WEAPONS PROCUREMENT, NAVY						
	TACTICAL MISSILES						
10	HELLFIRE	100	8,600			100	8,600

	TOTAL WEAPONS PROCUREMENT, NAVY	**100**	**8,600**	**0**	**0**	**100**	**8,600**
	PROCUREMENT OF AMMO, NAVY & MC						
	NAVY AMMUNITION						
1	GENERAL PURPOSE BOMBS	0	40,366			0	40,366
2	AIRBORNE ROCKETS, ALL TYPES	0	8,860			0	8,860
6	AIR EXPENDABLE COUNTERMEASURES	0	7,060			0	7,060
13	PYROTECHNIC AND DEMOLITION	0	1,122			0	1,122
14	AMMUNITION LESS THAN $5 MILLION	0	3,495			0	3,495
	MARINE CORPS AMMUNITION						
15	SMALL ARMS AMMUNITION	0	1,205			0	1,205
17	40 MM, ALL TYPES	0	539			0	539
18	60MM, ALL TYPES	0	909			0	909
20	120MM, ALL TYPES	0	530			0	530
22	ROCKETS, ALL TYPES	0	469			0	469
23	ARTILLERY, ALL TYPES	0	1,196			0	1,196
24	DEMOLITION MUNITIONS, ALL TYPES	0	261			0	261
25	FUZE, ALL TYPES	0	217			0	217
	TOTAL PROCUREMENT OF AMMO, NAVY & MC	**0**	**66,229**	**0**	**0**	**0**	**66,229**
	OTHER PROCUREMENT, NAVY						
	OTHER SHORE ELECTRONIC EQUIPMENT						
81	DCGS-N	0	12,000			0	12,000
	OTHER ORDNANCE SUPPORT EQUIPMENT						
116	EXPLOSIVE ORDNANCE DISPOSAL EQUIP	0	99,329			0	99,329
	CIVIL ENGINEERING SUPPORT EQUIPMENT						
124	FIRE FIGHTING EQUIPMENT	0	630			0	630
	SUPPLY SUPPORT EQUIPMENT						
133	FIRST DESTINATION TRANSPORTATION	0	25			0	25
	COMMAND SUPPORT EQUIPMENT						
137	COMMAND SUPPORT EQUIPMENT	0	10,562			0	10,562
	CLASSIFIED PROGRAMS						

SEC. 4102. PROCUREMENT FOR OVERSEAS CONTINGENCY OPERATIONS
(In Thousands of Dollars)

Line	Item	FY 2017 Request		Senate Change		Senate Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
138	CLASSIFIED PROGRAMS	0	1,660			0	1,660
	TOTAL OTHER PROCUREMENT, NAVY	**0**	**124,206**	**0**	**0**	**0**	**124,206**
	PROCUREMENT, MARINE CORPS						
	ARTILLERY AND OTHER WEAPONS						
6	WEAPONS AND COMBAT VEHICLES UNDER $5 MILLION	0	572			0	572
	GUIDED MISSILES						
10	JAVELIN	9	1,606			9	1,606
	OTHER SUPPORT (TEL)						
18	MODIFICATION KITS	0	2,600			0	2,600
	COMMAND AND CONTROL SYSTEM (NON-TEL)						
19	ITEMS UNDER $5 MILLION (COMM & ELEC)	0	2,200			0	2,200
	INTELL/COMM EQUIPMENT (NON-TEL)						
26	INTELLIGENCE SUPPORT EQUIPMENT	0	20,981			0	20,981
29	RQ–11 UAV	0	3,817			0	3,817
	OTHER SUPPORT (NON-TEL)						
35	COMMON COMPUTER RESOURCES	0	2,600			0	2,600
37	RADIO SYSTEMS	0	9,563			0	9,563
	ENGINEER AND OTHER EQUIPMENT						
53	EOD SYSTEMS	0	75,000			0	75,000
	TOTAL PROCUREMENT, MARINE CORPS	**9**	**118,939**	**0**	**0**	**9**	**118,939**
	AIRCRAFT PROCUREMENT, AIR FORCE						
	OTHER AIRLIFT						
4	C–130J	1	73,000			1	73,000
	OTHER AIRCRAFT						

15	MQ–9	24	453,030			24	453,030
	STRATEGIC AIRCRAFT						
19	LARGE AIRCRAFT INFRARED COUNTERMEASURES	0	135,801			0	135,801
	TACTICAL AIRCRAFT						
20	A–10	0	23,850			0	23,850
	OTHER AIRCRAFT						
47	E–3	0	6,600			0	6,600
56	HC/MC–130 MODIFICATIONS	0	13,550			0	13,550
57	OTHER AIRCRAFT	0	7,500			0	7,500
59	MQ–9 MODS	0	112,068			0	112,068
	AIRCRAFT SPARES AND REPAIR PARTS						
61	INITIAL SPARES/REPAIR PARTS	0	25,600			0	25,600
	OTHER PRODUCTION CHARGES						
77	OTHER PRODUCTION CHARGES	0	8,400			0	8,400
	TOTAL AIRCRAFT PROCUREMENT, AIR FORCE	**25**	**859,399**	**0**	**0**	**25**	**859,399**
	MISSILE PROCUREMENT, AIR FORCE						
	TACTICAL						
6	PREDATOR HELLFIRE MISSILE	1,252	145,125			1,252	145,125
7	SMALL DIAMETER BOMB	4,195	167,800			4,195	167,800
	CLASS IV						
11	AGM–65D MAVERICK	0	26,620			0	26,620
	TOTAL MISSILE PROCUREMENT, AIR FORCE	**5,447**	**339,545**	**0**	**0**	**5,447**	**339,545**
	PROCUREMENT OF AMMUNITION, AIR FORCE						
	ROCKETS						
1	ROCKETS	0	60,000			0	60,000
	CARTRIDGES						
2	CARTRIDGES	0	9,830			0	9,830
	BOMBS						
4	GENERAL PURPOSE BOMBS	0	7,921			0	7,921
6	JOINT DIRECT ATTACK MUNITION	18,531	403,126			18,531	403,126

SEC. 4102. PROCUREMENT FOR OVERSEAS CONTINGENCY OPERATIONS
(In Thousands of Dollars)

Line	Item	FY 2017 Request		Senate Change		Senate Authorized	
		Qty	Cost	Qty	Cost	Qty	Cost
	FLARES						
12	FLARES	0	6,531			0	6,531
	TOTAL PROCUREMENT OF AMMUNITION, AIR FORCE	**18,531**	**487,408**	**0**	**0**	**18,531**	**487,408**
	OTHER PROCUREMENT, AIR FORCE						
	PASSENGER CARRYING VEHICLES						
1	PASSENGER CARRYING VEHICLES	0	2,003			0	2,003
	CARGO AND UTILITY VEHICLES						
2	MEDIUM TACTICAL VEHICLE	0	9,066			0	9,066
4	ITEMS LESS THAN $5 MILLION	0	12,264			0	12,264
	SPECIAL PURPOSE VEHICLES						
6	ITEMS LESS THAN $5 MILLION	0	16,789			0	16,789
	FIRE FIGHTING EQUIPMENT						
7	FIRE FIGHTING/CRASH RESCUE VEHICLES	0	48,590			0	48,590
	MATERIALS HANDLING EQUIPMENT						
8	ITEMS LESS THAN $5 MILLION	0	2,366			0	2,366
	BASE MAINTENANCE SUPPORT						
9	RUNWAY SNOW REMOV & CLEANING EQUIP	0	6,468			0	6,468
10	ITEMS LESS THAN $5 MILLION	0	9,271			0	9,271
	ELECTRONICS PROGRAMS						
16	AIR TRAFFIC CONTROL & LANDING SYS	0	42,650			0	42,650
	SPCL COMM-ELECTRONICS PROJECTS						
29	AIR FORCE PHYSICAL SECURITY SYSTEM	0	7,500			0	7,500
33	C3 COUNTERMEASURES	0	620			0	620
	ORGANIZATION AND BASE						
52	TACTICAL C-E EQUIPMENT	0	8,100			0	8,100

	MODIFICATIONS					
56	COMM ELECT MODS	0	3,800		0	3,800
	BASE SUPPORT EQUIPMENT					
61	ENGINEERING AND EOD EQUIPMENT	0	53,900		0	53,900
	SPECIAL SUPPORT PROJECTS					
67	DCGS-AF	0	800		0	800
	CLASSIFIED PROGRAMS					
68	CLASSIFIED PROGRAMS	0	3,472,094		0	3,472,094
	TOTAL OTHER PROCUREMENT, AIR FORCE	**0**	**3,696,281**	**0**	**0**	**0**	**3,696,281**
	PROCUREMENT, DEFENSE-WIDE					
	MAJOR EQUIPMENT, DISA					
7	TELEPORT PROGRAM	0	3,900		0	3,900
16	DEFENSE INFORMATION SYSTEMS NETWORK	0	2,000		0	2,000
	CLASSIFIED PROGRAMS					
17	CLASSIFIED PROGRAMS	0	32,482		0	32,482
	AVIATION PROGRAMS					
41	MC–12	0	5,000		0	5,000
43	UNMANNED ISR	0	11,880		0	11,880
46	U–28	0	38,283		0	38,283
	AMMUNITION PROGRAMS					
57	ORDNANCE ITEMS <$5M	0	52,504		0	52,504
	OTHER PROCUREMENT PROGRAMS					
58	INTELLIGENCE SYSTEMS	0	22,000		0	22,000
60	OTHER ITEMS <$5M	0	11,580		0	11,580
62	SPECIAL PROGRAMS	0	13,549		0	13,549
63	TACTICAL VEHICLES	0	3,200		0	3,200
69	OPERATIONAL ENHANCEMENTS	0	42,056		0	42,056
	TOTAL PROCUREMENT, DEFENSE-WIDE	**0**	**238,434**	**0**	**0**	**0**	**238,434**
	TOTAL PROCUREMENT	**31,145**	**9,514,408**	**0**	**–10,353**	**31,145**	**9,504,055**

TITLE XLII—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

TITLE XLII—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

SEC. 4201. RESEARCH, DEVELOPMENT, TEST, AND EVALUATION.

SEC. 4201. RESEARCH, DEVELOPMENT, TEST, AND EVALUATION
(In Thousands of Dollars)

Line	Program Element	Item	FY 2017 Request	Senate Change	Senate Authorized
		RESEARCH, DEVELOPMENT, TEST & EVAL, ARMY			
		BASIC RESEARCH			
1	0601101A	IN-HOUSE LABORATORY INDEPENDENT RESEARCH	12,381		12,381
2	0601102A	DEFENSE RESEARCH SCIENCES	253,116		253,116
3	0601103A	UNIVERSITY RESEARCH INITIATIVES	69,166		69,166
4	0601104A	UNIVERSITY AND INDUSTRY RESEARCH CENTERS	94,280		94,280
		SUBTOTAL BASIC RESEARCH	**428,943**	**0**	**428,943**
		APPLIED RESEARCH			
5	0602105A	MATERIALS TECHNOLOGY	31,533	5,500	37,033
		Ground vehicle coating system		[5,500]	
6	0602120A	SENSORS AND ELECTRONIC SURVIVABILITY	36,109	2,000	38,109
		Program increase		[2,000]	
7	0602122A	TRACTOR HIP	6,995		6,995
8	0602211A	AVIATION TECHNOLOGY	65,914		65,914
9	0602270A	ELECTRONIC WARFARE TECHNOLOGY	25,466		25,466
10	0602303A	MISSILE TECHNOLOGY	44,313		44,313
11	0602307A	ADVANCED WEAPONS TECHNOLOGY	28,803		28,803
12	0602308A	ADVANCED CONCEPTS AND SIMULATION	27,688		27,688

13	0602601A	COMBAT VEHICLE AND AUTOMOTIVE TECHNOLOGY	67,959		67,959
14	0602618A	BALLISTICS TECHNOLOGY	85,436		85,436
15	0602622A	CHEMICAL, SMOKE AND EQUIPMENT DEFEATING TECHNOLOGY	3,923		3,923
16	0602623A	JOINT SERVICE SMALL ARMS PROGRAM	5,545		5,545
17	0602624A	WEAPONS AND MUNITIONS TECHNOLOGY	53,581		53,581
18	0602705A	ELECTRONICS AND ELECTRONIC DEVICES	56,322		56,322
19	0602709A	NIGHT VISION TECHNOLOGY	36,079		36,079
20	0602712A	COUNTERMINE SYSTEMS	26,497		26,497
21	0602716A	HUMAN FACTORS ENGINEERING TECHNOLOGY	23,671		23,671
22	0602720A	ENVIRONMENTAL QUALITY TECHNOLOGY	22,151		22,151
23	0602782A	COMMAND, CONTROL, COMMUNICATIONS TECHNOLOGY	37,803		37,803
24	0602783A	COMPUTER AND SOFTWARE TECHNOLOGY	13,811		13,811
25	0602784A	MILITARY ENGINEERING TECHNOLOGY	67,416		67,416
26	0602785A	MANPOWER/PERSONNEL/TRAINING TECHNOLOGY	26,045	–5,000	21,045
		Decrease for social science research		[–5,000]	
27	0602786A	WARFIGHTER TECHNOLOGY	37,403		37,403
28	0602787A	MEDICAL TECHNOLOGY	77,111		77,111
		SUBTOTAL APPLIED RESEARCH	**907,574**	**2,500**	**910,074**
		ADVANCED TECHNOLOGY DEVELOPMENT			
29	0603001A	WARFIGHTER ADVANCED TECHNOLOGY	38,831		38,831
30	0603002A	MEDICAL ADVANCED TECHNOLOGY	68,365		68,365
31	0603003A	AVIATION ADVANCED TECHNOLOGY	94,280		94,280
32	0603004A	WEAPONS AND MUNITIONS ADVANCED TECHNOLOGY	68,714		68,714
33	0603005A	COMBAT VEHICLE AND AUTOMOTIVE ADVANCED TECHNOLOGY	122,132	50,000	172,132
		Emerging requirement		[50,000]	
34	0603006A	SPACE APPLICATION ADVANCED TECHNOLOGY	3,904		3,904
35	0603007A	MANPOWER, PERSONNEL AND TRAINING ADVANCED TECHNOLOGY	14,417		14,417
37	0603009A	TRACTOR HIKE	8,074		8,074
38	0603015A	NEXT GENERATION TRAINING & SIMULATION SYSTEMS	18,969		18,969
39	0603020A	TRACTOR ROSE	11,910		11,910
40	0603125A	COMBATING TERRORISM—TECHNOLOGY DEVELOPMENT	27,686		27,686

SEC. 4201. RESEARCH, DEVELOPMENT, TEST, AND EVALUATION
(In Thousands of Dollars)

Line	Program Element	Item	FY 2017 Request	Senate Change	Senate Authorized
41	0603130A	TRACTOR NAIL	2,340		2,340
42	0603131A	TRACTOR EGGS	2,470		2,470
43	0603270A	ELECTRONIC WARFARE TECHNOLOGY	27,893	–5,000	22,893
		General decrease		[–5,000]	
44	0603313A	MISSILE AND ROCKET ADVANCED TECHNOLOGY	52,190		52,190
45	0603322A	TRACTOR CAGE	11,107		11,107
46	0603461A	HIGH PERFORMANCE COMPUTING MODERNIZATION PROGRAM	177,190		177,190
47	0603606A	LANDMINE WARFARE AND BARRIER ADVANCED TECHNOLOGY	17,451		17,451
48	0603607A	JOINT SERVICE SMALL ARMS PROGRAM	5,839		5,839
49	0603710A	NIGHT VISION ADVANCED TECHNOLOGY	44,468		44,468
50	0603728A	ENVIRONMENTAL QUALITY TECHNOLOGY DEMONSTRATIONS	11,137		11,137
51	0603734A	MILITARY ENGINEERING ADVANCED TECHNOLOGY	20,684		20,684
52	0603772A	ADVANCED TACTICAL COMPUTER SCIENCE AND SENSOR TECHNOLOGY	44,239	–5,000	39,239
		General program decrease		[–5,000]	
53	0603794A	C3 ADVANCED TECHNOLOGY	35,775		35,775
		SUBTOTAL ADVANCED TECHNOLOGY DEVELOPMENT	**930,065**	**40,000**	**970,065**
		ADVANCED COMPONENT DEVELOPMENT & PROTOTYPES			
54	0603305A	ARMY MISSLE DEFENSE SYSTEMS INTEGRATION	9,433		9,433
55	0603308A	ARMY SPACE SYSTEMS INTEGRATION	23,056		23,056
56	0603619A	LANDMINE WARFARE AND BARRIER—ADV DEV	72,117		72,117
57	0603627A	SMOKE, OBSCURANT AND TARGET DEFEATING SYS-ADV DEV	28,244		28,244
58	0603639A	TANK AND MEDIUM CALIBER AMMUNITION	40,096		40,096
59	0603747A	SOLDIER SUPPORT AND SURVIVABILITY	10,506		10,506
60	0603766A	TACTICAL ELECTRONIC SURVEILLANCE SYSTEM—ADV DEV	15,730		15,730
61	0603774A	NIGHT VISION SYSTEMS ADVANCED DEVELOPMENT	10,321		10,321
62	0603779A	ENVIRONMENTAL QUALITY TECHNOLOGY—DEM/VAL	7,785		7,785

63	0603790A	NATO RESEARCH AND DEVELOPMENT	2,300		2,300
64	0603801A	AVIATION—ADV DEV	10,014		10,014
65	0603804A	LOGISTICS AND ENGINEER EQUIPMENT—ADV DEV	20,834		20,834
66	0603807A	MEDICAL SYSTEMS—ADV DEV	33,503		33,503
67	0603827A	SOLDIER SYSTEMS—ADVANCED DEVELOPMENT	31,120	9,400	40,520
		Accelerate small arms improvement		[9,400]	
68	0604100A	ANALYSIS OF ALTERNATIVES	6,608		6,608
69	0604114A	LOWER TIER AIR MISSILE DEFENSE (LTAMD) SENSOR	35,132		35,132
70	0604115A	TECHNOLOGY MATURATION INITIATIVES	70,047		70,047
71	0604120A	ASSURED POSITIONING, NAVIGATION AND TIMING (PNT)	83,279		83,279
73	0305251A	CYBERSPACE OPERATIONS FORCES AND FORCE SUPPORT	40,510		40,510
		SUBTOTAL ADVANCED COMPONENT DEVELOPMENT & PROTOTYPES	**550,635**	**9,400**	**560,035**
		SYSTEM DEVELOPMENT & DEMONSTRATION			
74	0604201A	AIRCRAFT AVIONICS	83,248		83,248
75	0604270A	ELECTRONIC WARFARE DEVELOPMENT	34,642		34,642
77	0604290A	MID-TIER NETWORKING VEHICULAR RADIO (MNVR)	12,172		12,172
78	0604321A	ALL SOURCE ANALYSIS SYSTEM	3,958		3,958
79	0604328A	TRACTOR CAGE	12,525		12,525
80	0604601A	INFANTRY SUPPORT WEAPONS	66,943		66,943
82	0604611A	JAVELIN	20,011		20,011
83	0604622A	FAMILY OF HEAVY TACTICAL VEHICLES	11,429		11,429
84	0604633A	AIR TRAFFIC CONTROL	3,421		3,421
85	0604641A	TACTICAL UNMANNED GROUND VEHICLE (TUGV)	39,282		39,282
86	0604642A	LIGHT TACTICAL WHEELED VEHICLES	494		494
87	0604645A	ARMORED SYSTEMS MODERNIZATION (ASM)—ENG DEV	9,678		9,678
88	0604710A	NIGHT VISION SYSTEMS—ENG DEV	84,519		84,519
89	0604713A	COMBAT FEEDING, CLOTHING, AND EQUIPMENT	2,054		2,054
90	0604715A	NON-SYSTEM TRAINING DEVICES—ENG DEV	30,774		30,774
91	0604741A	AIR DEFENSE COMMAND, CONTROL AND INTELLIGENCE—ENG DEV	53,332		53,332
92	0604742A	CONSTRUCTIVE SIMULATION SYSTEMS DEVELOPMENT	17,887		17,887
93	0604746A	AUTOMATIC TEST EQUIPMENT DEVELOPMENT	8,813		8,813

SEC. 4201. RESEARCH, DEVELOPMENT, TEST, AND EVALUATION
(In Thousands of Dollars)

Line	Program Element	Item	FY 2017 Request	Senate Change	Senate Authorized
94	0604760A	DISTRIBUTIVE INTERACTIVE SIMULATIONS (DIS)—ENG DEV	10,487		10,487
95	0604780A	COMBINED ARMS TACTICAL TRAINER (CATT) CORE	15,068		15,068
96	0604798A	BRIGADE ANALYSIS, INTEGRATION AND EVALUATION	89,716		89,716
97	0604802A	WEAPONS AND MUNITIONS—ENG DEV	80,365		80,365
98	0604804A	LOGISTICS AND ENGINEER EQUIPMENT—ENG DEV	75,098		75,098
99	0604805A	COMMAND, CONTROL, COMMUNICATIONS SYSTEMS—ENG DEV	4,245		4,245
100	0604807A	MEDICAL MATERIEL/MEDICAL BIOLOGICAL DEFENSE EQUIPMENT—ENG DEV	41,124		41,124
101	0604808A	LANDMINE WARFARE/BARRIER—ENG DEV	39,630		39,630
102	0604818A	ARMY TACTICAL COMMAND & CONTROL HARDWARE & SOFTWARE	205,590		205,590
103	0604820A	RADAR DEVELOPMENT	15,983		15,983
104	0604822A	GENERAL FUND ENTERPRISE BUSINESS SYSTEM (GFEBS)	6,805		6,805
105	0604823A	FIREFINDER	9,235		9,235
106	0604827A	SOLDIER SYSTEMS—WARRIOR DEM/VAL	12,393		12,393
107	0604854A	ARTILLERY SYSTEMS—EMD	1,756		1,756
108	0605013A	INFORMATION TECHNOLOGY DEVELOPMENT	74,236		74,236
109	0605018A	INTEGRATED PERSONNEL AND PAY SYSTEM-ARMY (IPPS-A)	155,584	–20,000	135,584
		Unjustified growth		[–20,000]	
110	0605028A	ARMORED MULTI-PURPOSE VEHICLE (AMPV)	184,221		184,221
111	0605029A	INTEGRATED GROUND SECURITY SURVEILLANCE RESPONSE CAPABILITY (IGSSR-C)	4,980		4,980
112	0605030A	JOINT TACTICAL NETWORK CENTER (JTNC)	15,041		15,041
113	0605031A	JOINT TACTICAL NETWORK (JTN)	16,014		16,014
114	0605032A	TRACTOR TIRE	27,254		27,254
115	0605033A	GROUND-BASED OPERATIONAL SURVEILLANCE SYSTEM—EXPEDITIONARY (GBOSS-E)	5,032		5,032
116	0605034A	TACTICAL SECURITY SYSTEM (TSS)	2,904		2,904
117	0605035A	COMMON INFRARED COUNTERMEASURES (CIRCM)	96,977		96,977
118	0605036A	COMBATING WEAPONS OF MASS DESTRUCTION (CWMD)	2,089		2,089
119	0605041A	DEFENSIVE CYBER TOOL DEVELOPMENT	33,836		33,836

120	0605042A	TACTICAL NETWORK RADIO SYSTEMS (LOW-TIER)	18,824		18,824
121	0605047A	CONTRACT WRITING SYSTEM	20,663	–20,663	
		Unjustified request		[–20,663]	
122	0605051A	AIRCRAFT SURVIVABILITY DEVELOPMENT	41,133	13,000	54,133
		ASE unfunded requirement		[13,000]	
123	0605052A	INDIRECT FIRE PROTECTION CAPABILITY INC 2—BLOCK 1	83,995		83,995
125	0605380A	AMF JOINT TACTICAL RADIO SYSTEM (JTRS)	5,028		5,028
126	0605450A	JOINT AIR-TO-GROUND MISSILE (JAGM)	42,972		42,972
128	0605457A	ARMY INTEGRATED AIR AND MISSILE DEFENSE (AIAMD)	252,811		252,811
131	0605766A	NATIONAL CAPABILITIES INTEGRATION (MIP)	4,955		4,955
132	0605812A	JOINT LIGHT TACTICAL VEHICLE (JLTV) ENGINEERING AND MANUFACTURING DEVELOPMENT PH	11,530		11,530
133	0605830A	AVIATION GROUND SUPPORT EQUIPMENT	2,142		2,142
134	0210609A	PALADIN INTEGRATED MANAGEMENT (PIM)	41,498		41,498
135	0303032A	TROJAN—RH12	4,273		4,273
136	0304270A	ELECTRONIC WARFARE DEVELOPMENT	14,425		14,425
		SUBTOTAL SYSTEM DEVELOPMENT & DEMONSTRATION	**2,265,094**	**–27,663**	**2,237,431**
		RDT&E MANAGEMENT SUPPORT			
137	0604256A	THREAT SIMULATOR DEVELOPMENT	25,675		25,675
138	0604258A	TARGET SYSTEMS DEVELOPMENT	19,122		19,122
139	0604759A	MAJOR T&E INVESTMENT	84,777		84,777
140	0605103A	RAND ARROYO CENTER	20,658		20,658
141	0605301A	ARMY KWAJALEIN ATOLL	236,648		236,648
142	0605326A	CONCEPTS EXPERIMENTATION PROGRAM	25,596		25,596
144	0605601A	ARMY TEST RANGES AND FACILITIES	293,748		293,748
145	0605602A	ARMY TECHNICAL TEST INSTRUMENTATION AND TARGETS	52,404		52,404
146	0605604A	SURVIVABILITY/LETHALITY ANALYSIS	38,571		38,571
147	0605606A	AIRCRAFT CERTIFICATION	4,665		4,665
148	0605702A	METEOROLOGICAL SUPPORT TO RDT&E ACTIVITIES	6,925		6,925
149	0605706A	MATERIEL SYSTEMS ANALYSIS	21,677		21,677
150	0605709A	EXPLOITATION OF FOREIGN ITEMS	12,415		12,415
151	0605712A	SUPPORT OF OPERATIONAL TESTING	49,684		49,684

SEC. 4201. RESEARCH, DEVELOPMENT, TEST, AND EVALUATION
(In Thousands of Dollars)

Line	Program Element	Item	FY 2017 Request	Senate Change	Senate Authorized
152	0605716A	ARMY EVALUATION CENTER	55,905		55,905
153	0605718A	ARMY MODELING & SIM X-CMD COLLABORATION & INTEG	7,959		7,959
154	0605801A	PROGRAMWIDE ACTIVITIES	51,822		51,822
155	0605803A	TECHNICAL INFORMATION ACTIVITIES	33,323	2,500	35,823
		Program increase Geospatial		[2,500]	
156	0605805A	MUNITIONS STANDARDIZATION, EFFECTIVENESS AND SAFETY	40,545		40,545
157	0605857A	ENVIRONMENTAL QUALITY TECHNOLOGY MGMT SUPPORT	2,130		2,130
158	0605898A	MANAGEMENT HQ—R&D	49,885		49,885
159	0303260A	DEFENSE MILITARY DECEPTION INITIATIVE	2,000		2,000
		SUBTOTAL RDT&E MANAGEMENT SUPPORT	**1,136,134**	**2,500**	**1,138,634**
		OPERATIONAL SYSTEMS DEVELOPMENT			
161	0603778A	MLRS PRODUCT IMPROVEMENT PROGRAM	9,663		9,663
162	0603813A	TRACTOR PULL	3,960		3,960
163	0605024A	ANTI-TAMPER TECHNOLOGY SUPPORT	3,638		3,638
164	0607131A	WEAPONS AND MUNITIONS PRODUCT IMPROVEMENT PROGRAMS	14,517		14,517
165	0607133A	TRACTOR SMOKE	4,479		4,479
166	0607134A	LONG RANGE PRECISION FIRES (LRPF)	39,275		39,275
167	0607135A	APACHE PRODUCT IMPROVEMENT PROGRAM	66,441		66,441
168	0607136A	BLACKHAWK PRODUCT IMPROVEMENT PROGRAM	46,765		46,765
169	0607137A	CHINOOK PRODUCT IMPROVEMENT PROGRAM	91,848		91,848
170	0607138A	FIXED WING PRODUCT IMPROVEMENT PROGRAM	796		796
171	0607139A	IMPROVED TURBINE ENGINE PROGRAM	126,105		126,105
172	0607140A	EMERGING TECHNOLOGIES FROM NIE	2,369		2,369
173	0607141A	LOGISTICS AUTOMATION	4,563		4,563
174	0607665A	FAMILY OF BIOMETRICS	12,098		12,098
175	0607865A	PATRIOT PRODUCT IMPROVEMENT	49,482		49,482

176	0202429A	AEROSTAT JOINT PROJECT—COCOM EXERCISE	45,482	–41,000	4,482
		Change in program requirement		[–41,000]	
178	0203728A	JOINT AUTOMATED DEEP OPERATION COORDINATION SYSTEM (JADOCS)	30,455		30,455
179	0203735A	COMBAT VEHICLE IMPROVEMENT PROGRAMS	316,857	12,000	328,857
		APS unfunded requirement		[12,000]	
180	0203740A	MANEUVER CONTROL SYSTEM	4,031		4,031
181	0203744A	AIRCRAFT MODIFICATIONS/PRODUCT IMPROVEMENT PROGRAMS	35,793		35,793
182	0203752A	AIRCRAFT ENGINE COMPONENT IMPROVEMENT PROGRAM	259		259
183	0203758A	DIGITIZATION	6,483		6,483
184	0203801A	MISSILE/AIR DEFENSE PRODUCT IMPROVEMENT PROGRAM	5,122		5,122
185	0203802A	OTHER MISSILE PRODUCT IMPROVEMENT PROGRAMS	7,491		7,491
186	0203808A	TRACTOR CARD	20,333		20,333
188	0205410A	MATERIALS HANDLING EQUIPMENT	124		124
190	0205456A	LOWER TIER AIR AND MISSILE DEFENSE (AMD) SYSTEM	69,417		69,417
191	0205778A	GUIDED MULTIPLE-LAUNCH ROCKET SYSTEM (GMLRS)	22,044		22,044
192	0208053A	JOINT TACTICAL GROUND SYSTEM	12,649		12,649
194	0303028A	SECURITY AND INTELLIGENCE ACTIVITIES	11,619		11,619
195	0303140A	INFORMATION SYSTEMS SECURITY PROGRAM	38,280		38,280
196	0303141A	GLOBAL COMBAT SUPPORT SYSTEM	27,223	–25,200	2,023
		GCSS unjustified request		[–25,200]	
197	0303142A	SATCOM GROUND ENVIRONMENT (SPACE)	18,815		18,815
198	0303150A	WWMCCS/GLOBAL COMMAND AND CONTROL SYSTEM	4,718		4,718
202	0305204A	TACTICAL UNMANNED AERIAL VEHICLES	8,218		8,218
203	0305206A	AIRBORNE RECONNAISSANCE SYSTEMS	11,799		11,799
204	0305208A	DISTRIBUTED COMMON GROUND/SURFACE SYSTEMS	32,284	–32,000	284
		Change in tactical requirements		[–32,000]	
205	0305219A	MQ–1C GRAY EAGLE UAS	13,470		13,470
206	0305232A	RQ–11 UAV	1,613		1,613
207	0305233A	RQ–7 UAV	4,597		4,597
209	0310349A	WIN-T INCREMENT 2—INITIAL NETWORKING	4,867		4,867
210	0708045A	END ITEM INDUSTRIAL PREPAREDNESS ACTIVITIES	62,287		62,287
220	9999999999	CLASSIFIED PROGRAMS	4,625		4,625

SEC. 4201. RESEARCH, DEVELOPMENT, TEST, AND EVALUATION
(In Thousands of Dollars)

Line	Program Element	Item	FY 2017 Request	Senate Change	Senate Authorized
		SUBTOTAL OPERATIONAL SYSTEMS DEVELOPMENT	**1,296,954**	**–86,200**	**1,210,754**
		TOTAL RESEARCH, DEVELOPMENT, TEST & EVAL, ARMY	**7,515,399**	**–59,463**	**7,455,936**
		RESEARCH, DEVELOPMENT, TEST & EVAL, NAVY			
		BASIC RESEARCH			
1	0601103N	UNIVERSITY RESEARCH INITIATIVES	101,714		101,714
2	0601152N	IN-HOUSE LABORATORY INDEPENDENT RESEARCH	18,508		18,508
3	0601153N	DEFENSE RESEARCH SCIENCES	422,748		422,748
		SUBTOTAL BASIC RESEARCH	**542,970**	**0**	**542,970**
		APPLIED RESEARCH			
4	0602114N	POWER PROJECTION APPLIED RESEARCH	41,371		41,371
5	0602123N	FORCE PROTECTION APPLIED RESEARCH	158,745		158,745
6	0602131M	MARINE CORPS LANDING FORCE TECHNOLOGY	51,590		51,590
7	0602235N	COMMON PICTURE APPLIED RESEARCH	41,185		41,185
8	0602236N	WARFIGHTER SUSTAINMENT APPLIED RESEARCH	45,467		45,467
9	0602271N	ELECTROMAGNETIC SYSTEMS APPLIED RESEARCH	118,941		118,941
10	0602435N	OCEAN WARFIGHTING ENVIRONMENT APPLIED RESEARCH	42,618		42,618
11	0602651M	JOINT NON-LETHAL WEAPONS APPLIED RESEARCH	6,327		6,327
12	0602747N	UNDERSEA WARFARE APPLIED RESEARCH	126,313	10,000	136,313
		Program increase		[10,000]	
13	0602750N	FUTURE NAVAL CAPABILITIES APPLIED RESEARCH	165,103		165,103
14	0602782N	MINE AND EXPEDITIONARY WARFARE APPLIED RESEARCH	33,916		33,916
15	0602898N	SCIENCE AND TECHNOLOGY MANAGEMENT—ONR HEADQUARTERS	29,575		29,575
		SUBTOTAL APPLIED RESEARCH	**861,151**	**10,000**	**871,151**

		ADVANCED TECHNOLOGY DEVELOPMENT			
16	0603114N	POWER PROJECTION ADVANCED TECHNOLOGY	96,406	–15,000	81,406
		General decrease		[–15,000]	
17	0603123N	FORCE PROTECTION ADVANCED TECHNOLOGY	48,438		48,438
18	0603271N	ELECTROMAGNETIC SYSTEMS ADVANCED TECHNOLOGY	26,421		26,421
19	0603640M	USMC ADVANCED TECHNOLOGY DEMONSTRATION (ATD)	140,416		140,416
20	0603651M	JOINT NON-LETHAL WEAPONS TECHNOLOGY DEVELOPMENT	13,117		13,117
21	0603673N	FUTURE NAVAL CAPABILITIES ADVANCED TECHNOLOGY DEVELOPMENT	249,092	–10,000	239,092
		Capable manpower, and power and energy		[–10,000]	
22	0603680N	MANUFACTURING TECHNOLOGY PROGRAM	56,712		56,712
23	0603729N	WARFIGHTER PROTECTION ADVANCED TECHNOLOGY	4,789		4,789
24	0603747N	UNDERSEA WARFARE ADVANCED TECHNOLOGY	25,880		25,880
25	0603758N	NAVY WARFIGHTING EXPERIMENTS AND DEMONSTRATIONS	60,550		60,550
26	0603782N	MINE AND EXPEDITIONARY WARFARE ADVANCED TECHNOLOGY	15,167		15,167
		SUBTOTAL ADVANCED TECHNOLOGY DEVELOPMENT	**736,988**	**–25,000**	**711,988**
		ADVANCED COMPONENT DEVELOPMENT & PROTOTYPES			
27	0603207N	AIR/OCEAN TACTICAL APPLICATIONS	48,536		48,536
28	0603216N	AVIATION SURVIVABILITY	5,239		5,239
30	0603251N	AIRCRAFT SYSTEMS	1,519		1,519
31	0603254N	ASW SYSTEMS DEVELOPMENT	7,041		7,041
32	0603261N	TACTICAL AIRBORNE RECONNAISSANCE	3,274		3,274
33	0603382N	ADVANCED COMBAT SYSTEMS TECHNOLOGY	57,034		57,034
34	0603502N	SURFACE AND SHALLOW WATER MINE COUNTERMEASURES	165,775	–1,500	164,275
		Excess prior year funds		[–1,500]	
35	0603506N	SURFACE SHIP TORPEDO DEFENSE	87,066		87,066
36	0603512N	CARRIER SYSTEMS DEVELOPMENT	7,605		7,605
37	0603525N	PILOT FISH	132,068		132,068
38	0603527N	RETRACT LARCH	14,546		14,546
39	0603536N	RETRACT JUNIPER	115,435		115,435
40	0603542N	RADIOLOGICAL CONTROL	702		702
41	0603553N	SURFACE ASW	1,081		1,081

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Line	Program Element	Item	FY 2017 Request	Senate Change	Senate Authorized
42	0603561N	ADVANCED SUBMARINE SYSTEM DEVELOPMENT	100,565		100,565
43	0603562N	SUBMARINE TACTICAL WARFARE SYSTEMS	8,782		8,782
44	0603563N	SHIP CONCEPT ADVANCED DESIGN	14,590		14,590
45	0603564N	SHIP PRELIMINARY DESIGN & FEASIBILITY STUDIES	15,805		15,805
46	0603570N	ADVANCED NUCLEAR POWER SYSTEMS	453,313		453,313
47	0603573N	ADVANCED SURFACE MACHINERY SYSTEMS	36,655		36,655
48	0603576N	CHALK EAGLE	367,016		367,016
49	0603581N	LITTORAL COMBAT SHIP (LCS)	51,630		51,630
50	0603582N	COMBAT SYSTEM INTEGRATION	23,530		23,530
51	0603595N	OHIO REPLACEMENT	700,811		700,811
52	0603596N	LCS MISSION MODULES	160,058	–30,900	129,158
		Available prior year funding		[–30,900]	
54	0603599N	FRIGATE DEVELOPMENT	84,900		84,900
55	0603609N	CONVENTIONAL MUNITIONS	8,342		8,342
56	0603611M	MARINE CORPS ASSAULT VEHICLES	158,682		158,682
57	0603635M	MARINE CORPS GROUND COMBAT/SUPPORT SYSTEM	1,303		1,303
58	0603654N	JOINT SERVICE EXPLOSIVE ORDNANCE DEVELOPMENT	46,911		46,911
60	0603713N	OCEAN ENGINEERING TECHNOLOGY DEVELOPMENT	4,556		4,556
61	0603721N	ENVIRONMENTAL PROTECTION	20,343		20,343
62	0603724N	NAVY ENERGY PROGRAM	52,479		52,479
63	0603725N	FACILITIES IMPROVEMENT	5,458		5,458
64	0603734N	CHALK CORAL	245,860		245,860
65	0603739N	NAVY LOGISTIC PRODUCTIVITY	3,089		3,089
66	0603746N	RETRACT MAPLE	323,526		323,526
67	0603748N	LINK PLUMERIA	318,497		318,497
68	0603751N	RETRACT ELM	52,834		52,834
69	0603764N	LINK EVERGREEN	48,116		48,116

70	0603787N	SPECIAL PROCESSES	13,619		13,619
71	0603790N	NATO RESEARCH AND DEVELOPMENT	9,867		9,867
72	0603795N	LAND ATTACK TECHNOLOGY	6,015		6,015
73	0603851M	JOINT NON-LETHAL WEAPONS TESTING	27,904		27,904
74	0603860N	JOINT PRECISION APPROACH AND LANDING SYSTEMS—DEM/VAL	104,144		104,144
75	0603925N	DIRECTED ENERGY AND ELECTRIC WEAPON SYSTEMS	32,700		32,700
76	0604112N	GERALD R. FORD CLASS NUCLEAR AIRCRAFT CARRIER (CVN 78—80)	70,528		70,528
77	0604122N	REMOTE MINEHUNTING SYSTEM (RMS)	3,001		3,001
78	0604272N	TACTICAL AIR DIRECTIONAL INFRARED COUNTERMEASURES (TADIRCM)	34,920		34,920
80	0604292N	MH-XX	1,620		1,620
81	0604454N	LX (R)	6,354	19,000	25,354
		Needed to maintain schedule		[19,000]	
82	0604536N	ADVANCED UNDERSEA PROTOTYPING	78,589	–34,400	44,189
		Ahead of need		[–34,400]	
84	0604659N	PRECISION STRIKE WEAPONS DEVELOPMENT PROGRAM	9,910		9,910
85	0604707N	SPACE AND ELECTRONIC WARFARE (SEW) ARCHITECTURE/ENGINEERING SUPPORT	23,971		23,971
86	0604786N	OFFENSIVE ANTI-SURFACE WARFARE WEAPON DEVELOPMENT	252,409		252,409
87	0605812M	JOINT LIGHT TACTICAL VEHICLE (JLTV) ENGINEERING AND MANUFACTURING DEVELOPMENT PH	23,197		23,197
88	0303354N	ASW SYSTEMS DEVELOPMENT—MIP	9,110		9,110
89	0304270N	ELECTRONIC WARFARE DEVELOPMENT—MIP	437		437
		SUBTOTAL ADVANCED COMPONENT DEVELOPMENT & PROTOTYPES	**4,662,867**	**–47,800**	**4,615,067**
		SYSTEM DEVELOPMENT & DEMONSTRATION			
90	0603208N	TRAINING SYSTEM AIRCRAFT	19,938		19,938
91	0604212N	OTHER HELO DEVELOPMENT	6,268		6,268
92	0604214N	AV–8B AIRCRAFT—ENG DEV	33,664		33,664
93	0604215N	STANDARDS DEVELOPMENT	1,300		1,300
94	0604216N	MULTI-MISSION HELICOPTER UPGRADE DEVELOPMENT	5,275		5,275
95	0604218N	AIR/OCEAN EQUIPMENT ENGINEERING	3,875		3,875
96	0604221N	P–3 MODERNIZATION PROGRAM	1,909		1,909
97	0604230N	WARFARE SUPPORT SYSTEM	13,237		13,237
98	0604231N	TACTICAL COMMAND SYSTEM	36,323		36,323

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Line	Program Element	Item	FY 2017 Request	Senate Change	Senate Authorized
99	0604234N	ADVANCED HAWKEYE	363,792		363,792
100	0604245N	H–1 UPGRADES	27,441		27,441
101	0604261N	ACOUSTIC SEARCH SENSORS	34,525		34,525
102	0604262N	V–22A	174,423		174,423
103	0604264N	AIR CREW SYSTEMS DEVELOPMENT	13,577		13,577
104	0604269N	EA–18	116,761		116,761
105	0604270N	ELECTRONIC WARFARE DEVELOPMENT	48,766		48,766
106	0604273N	EXECUTIVE HELO DEVELOPMENT	338,357		338,357
107	0604274N	NEXT GENERATION JAMMER (NGJ)	577,822		577,822
108	0604280N	JOINT TACTICAL RADIO SYSTEM—NAVY (JTRS-NAVY)	2,365		2,365
109	0604282N	NEXT GENERATION JAMMER (NGJ) INCREMENT II	52,065		52,065
110	0604307N	SURFACE COMBATANT COMBAT SYSTEM ENGINEERING	282,764		282,764
111	0604311N	LPD–17 CLASS SYSTEMS INTEGRATION	580		580
112	0604329N	SMALL DIAMETER BOMB (SDB)	97,622		97,622
113	0604366N	STANDARD MISSILE IMPROVEMENTS	120,561		120,561
114	0604373N	AIRBORNE MCM	45,622		45,622
116	0604378N	NAVAL INTEGRATED FIRE CONTROL—COUNTER AIR SYSTEMS ENGINEERING	25,750		25,750
118	0604501N	ADVANCED ABOVE WATER SENSORS	85,868		85,868
119	0604503N	SSN–688 AND TRIDENT MODERNIZATION	117,476		117,476
120	0604504N	AIR CONTROL	47,404		47,404
121	0604512N	SHIPBOARD AVIATION SYSTEMS	112,158		112,158
122	0604518N	COMBAT INFORMATION CENTER CONVERSION	6,283		6,283
123	0604522N	AIR AND MISSILE DEFENSE RADAR (AMDR) SYSTEM	144,395		144,395
124	0604558N	NEW DESIGN SSN	113,013		113,013
125	0604562N	SUBMARINE TACTICAL WARFARE SYSTEM	43,160		43,160
126	0604567N	SHIP CONTRACT DESIGN/ LIVE FIRE T&E	65,002		65,002
127	0604574N	NAVY TACTICAL COMPUTER RESOURCES	3,098		3,098

128	0604580N	VIRGINIA PAYLOAD MODULE (VPM)	97,920	97,920
129	0604601N	MINE DEVELOPMENT	10,490	10,490
130	0604610N	LIGHTWEIGHT TORPEDO DEVELOPMENT	20,178	20,178
131	0604654N	JOINT SERVICE EXPLOSIVE ORDNANCE DEVELOPMENT	7,369	7,369
132	0604703N	PERSONNEL, TRAINING, SIMULATION, AND HUMAN FACTORS	4,995	4,995
133	0604727N	JOINT STANDOFF WEAPON SYSTEMS	412	412
134	0604755N	SHIP SELF DEFENSE (DETECT & CONTROL)	134,619	134,619
135	0604756N	SHIP SELF DEFENSE (ENGAGE: HARD KILL)	114,475	114,475
136	0604757N	SHIP SELF DEFENSE (ENGAGE: SOFT KILL/EW)	114,211	114,211
137	0604761N	INTELLIGENCE ENGINEERING	11,029	11,029
138	0604771N	MEDICAL DEVELOPMENT	9,220	9,220
139	0604777N	NAVIGATION/ID SYSTEM	42,723	42,723
140	0604800M	JOINT STRIKE FIGHTER (JSF)—EMD	531,426	531,426
141	0604800N	JOINT STRIKE FIGHTER (JSF)—EMD	528,716	528,716
142	0604810M	JOINT STRIKE FIGHTER FOLLOW ON DEVELOPMENT—MARINE CORPS	74,227	74,227
143	0604810N	JOINT STRIKE FIGHTER FOLLOW ON DEVELOPMENT—NAVY	63,387	63,387
144	0605013M	INFORMATION TECHNOLOGY DEVELOPMENT	4,856	4,856
145	0605013N	INFORMATION TECHNOLOGY DEVELOPMENT	97,066	97,066
146	0605024N	ANTI-TAMPER TECHNOLOGY SUPPORT	2,500	2,500
147	0605212N	CH–53K RDTE	404,810	404,810
148	0605215N	MISSION PLANNING	33,570	33,570
149	0605217N	COMMON AVIONICS	51,599	51,599
150	0605220N	SHIP TO SHORE CONNECTOR (SSC)	11,088	11,088
151	0605327N	T-AO (X)	1,095	1,095
152	0605414N	CARRIER BASED AERIAL REFUELING SYSTEM (CBARS)	89,000	89,000
153	0605450N	JOINT AIR-TO-GROUND MISSILE (JAGM)	17,880	17,880
154	0605500N	MULTI-MISSION MARITIME AIRCRAFT (MMA)	59,126	59,126
155	0605504N	MULTI-MISSION MARITIME (MMA) INCREMENT III	182,220	182,220
156	0204202N	DDG–1000	45,642	45,642
159	0304231N	TACTICAL COMMAND SYSTEM—MIP	676	676
160	0304785N	TACTICAL CRYPTOLOGIC SYSTEMS	36,747	36,747
161	0305124N	SPECIAL APPLICATIONS PROGRAM	35,002	35,002

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Line	Program Element	Item	FY 2017 Request	Senate Change	Senate Authorized
162	0306250M	CYBER OPERATIONS TECHNOLOGY DEVELOPMENT	4,942	1,784	6,726
		Full spectrum cyber operations unfunded requirement		[1,784]	
		SUBTOTAL SYSTEM DEVELOPMENT & DEMONSTRATION	**6,025,655**	**1,784**	**6,027,439**
		MANAGEMENT SUPPORT			
163	0604256N	THREAT SIMULATOR DEVELOPMENT	16,633		16,633
164	0604258N	TARGET SYSTEMS DEVELOPMENT	36,662		36,662
165	0604759N	MAJOR T&E INVESTMENT	42,109		42,109
166	0605126N	JOINT THEATER AIR AND MISSILE DEFENSE ORGANIZATION	2,998		2,998
167	0605152N	STUDIES AND ANALYSIS SUPPORT—NAVY	3,931		3,931
168	0605154N	CENTER FOR NAVAL ANALYSES	46,634		46,634
169	0605285N	NEXT GENERATION FIGHTER	1,200		1,200
171	0605804N	TECHNICAL INFORMATION SERVICES	903		903
172	0605853N	MANAGEMENT, TECHNICAL & INTERNATIONAL SUPPORT	87,077	–10,800	76,277
		Unjustified growth		[–10,800]	
173	0605856N	STRATEGIC TECHNICAL SUPPORT	3,597		3,597
174	0605861N	RDT&E SCIENCE AND TECHNOLOGY MANAGEMENT	62,811		62,811
175	0605863N	RDT&E SHIP AND AIRCRAFT SUPPORT	106,093		106,093
176	0605864N	TEST AND EVALUATION SUPPORT	349,146		349,146
177	0605865N	OPERATIONAL TEST AND EVALUATION CAPABILITY	18,160		18,160
178	0605866N	NAVY SPACE AND ELECTRONIC WARFARE (SEW) SUPPORT	9,658		9,658
179	0605867N	SEW SURVEILLANCE/RECONNAISSANCE SUPPORT	6,500		6,500
180	0605873M	MARINE CORPS PROGRAM WIDE SUPPORT	22,247		22,247
181	0605898N	MANAGEMENT HQ—R&D	16,254		16,254
182	0606355N	WARFARE INNOVATION MANAGEMENT	21,123		21,123
		SUBTOTAL MANAGEMENT SUPPORT	**853,736**	**–10,800**	**842,936**

		OPERATIONAL SYSTEMS DEVELOPMENT		
188	0607658N	COOPERATIVE ENGAGEMENT CAPABILITY (CEC)	84,501	84,501
189	0607700N	DEPLOYABLE JOINT COMMAND AND CONTROL	2,970	2,970
190	0101221N	STRATEGIC SUB & WEAPONS SYSTEM SUPPORT	136,556	136,556
191	0101224N	SSBN SECURITY TECHNOLOGY PROGRAM	33,845	33,845
192	0101226N	SUBMARINE ACOUSTIC WARFARE DEVELOPMENT	9,329	9,329
193	0101402N	NAVY STRATEGIC COMMUNICATIONS	17,218	17,218
195	0204136N	F/A–18 SQUADRONS	189,125	189,125
196	0204163N	FLEET TELECOMMUNICATIONS (TACTICAL)	48,225	48,225
197	0204228N	SURFACE SUPPORT	21,156	21,156
198	0204229N	TOMAHAWK AND TOMAHAWK MISSION PLANNING CENTER (TMPC)	71,355	71,355
199	0204311N	INTEGRATED SURVEILLANCE SYSTEM	58,542	58,542
200	0204413N	AMPHIBIOUS TACTICAL SUPPORT UNITS (DISPLACEMENT CRAFT)	13,929	13,929
201	0204460M	GROUND/AIR TASK ORIENTED RADAR (G/ATOR)	83,538	83,538
202	0204571N	CONSOLIDATED TRAINING SYSTEMS DEVELOPMENT	38,593	38,593
203	0204574N	CRYPTOLOGIC DIRECT SUPPORT	1,122	1,122
204	0204575N	ELECTRONIC WARFARE (EW) READINESS SUPPORT	99,998	99,998
205	0205601N	HARM IMPROVEMENT	48,635	48,635
206	0205604N	TACTICAL DATA LINKS	124,785	124,785
207	0205620N	SURFACE ASW COMBAT SYSTEM INTEGRATION	24,583	24,583
208	0205632N	MK–48 ADCAP	39,134	39,134
209	0205633N	AVIATION IMPROVEMENTS	120,861	120,861
210	0205675N	OPERATIONAL NUCLEAR POWER SYSTEMS	101,786	101,786
211	0206313M	MARINE CORPS COMMUNICATIONS SYSTEMS	82,159	82,159
212	0206335M	COMMON AVIATION COMMAND AND CONTROL SYSTEM (CAC2S)	11,850	11,850
213	0206623M	MARINE CORPS GROUND COMBAT/SUPPORTING ARMS SYSTEMS	47,877	47,877
214	0206624M	MARINE CORPS COMBAT SERVICES SUPPORT	13,194	13,194
215	0206625M	USMC INTELLIGENCE/ELECTRONIC WARFARE SYSTEMS (MIP)	17,171	17,171
216	0206629M	AMPHIBIOUS ASSAULT VEHICLE	38,020	38,020
217	0207161N	TACTICAL AIM MISSILES	56,285	56,285
218	0207163N	ADVANCED MEDIUM RANGE AIR-TO-AIR MISSILE (AMRAAM)	40,350	40,350
219	0219902M	GLOBAL COMBAT SUPPORT SYSTEM—MARINE CORPS (GCSS-MC)	9,128	9,128

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Line	Program Element	Item	FY 2017 Request	Senate Change	Senate Authorized
223	0303109N	SATELLITE COMMUNICATIONS (SPACE)	37,372		37,372
224	0303138N	CONSOLIDATED AFLOAT NETWORK ENTERPRISE SERVICES (CANES)	23,541		23,541
225	0303140N	INFORMATION SYSTEMS SECURITY PROGRAM	38,510		38,510
228	0305192N	MILITARY INTELLIGENCE PROGRAM (MIP) ACTIVITIES	6,019		6,019
229	0305204N	TACTICAL UNMANNED AERIAL VEHICLES	8,436		8,436
230	0305205N	UAS INTEGRATION AND INTEROPERABILITY	36,509		36,509
231	0305208M	DISTRIBUTED COMMON GROUND/SURFACE SYSTEMS	2,100		2,100
232	0305208N	DISTRIBUTED COMMON GROUND/SURFACE SYSTEMS	44,571		44,571
233	0305220N	MQ–4C TRITON	111,729		111,729
234	0305231N	MQ–8 UAV	26,518		26,518
235	0305232M	RQ–11 UAV	418		418
236	0305233N	RQ–7 UAV	716		716
237	0305234N	SMALL (LEVEL 0) TACTICAL UAS (STUASL0)	5,071		5,071
238	0305239M	RQ–21A	9,497		9,497
239	0305241N	MULTI-INTELLIGENCE SENSOR DEVELOPMENT	77,965		77,965
240	0305242M	UNMANNED AERIAL SYSTEMS (UAS) PAYLOADS (MIP)	11,181		11,181
241	0305421N	RQ–4 MODERNIZATION	181,266		181,266
242	0308601N	MODELING AND SIMULATION SUPPORT	4,709		4,709
243	0702207N	DEPOT MAINTENANCE (NON-IF)	49,322		49,322
245	0708730N	MARITIME TECHNOLOGY (MARITECH)	3,204		3,204
250	9999999999	CLASSIFIED PROGRAMS	1,228,460		1,228,460
		SUBTOTAL OPERATIONAL SYSTEMS DEVELOPMENT	**3,592,934**	**0**	**3,592,934**
		TOTAL RESEARCH, DEVELOPMENT, TEST & EVAL, NAVY	**17,276,301**	**–71,816**	**17,204,485**
		RESEARCH, DEVELOPMENT, TEST & EVAL, AF			
		BASIC RESEARCH			

1	0601102F	DEFENSE RESEARCH SCIENCES	340,812		340,812
2	0601103F	UNIVERSITY RESEARCH INITIATIVES	145,044		145,044
3	0601108F	HIGH ENERGY LASER RESEARCH INITIATIVES	14,168		14,168
		SUBTOTAL BASIC RESEARCH	**500,024**	**0**	**500,024**
		APPLIED RESEARCH			
4	0602102F	MATERIALS	126,152		126,152
5	0602201F	AEROSPACE VEHICLE TECHNOLOGIES	122,831		122,831
6	0602202F	HUMAN EFFECTIVENESS APPLIED RESEARCH	111,647		111,647
7	0602203F	AEROSPACE PROPULSION	185,671	5,000	190,671
		Program increase		[5,000]	
8	0602204F	AEROSPACE SENSORS	155,174		155,174
9	0602601F	SPACE TECHNOLOGY	117,915		117,915
10	0602602F	CONVENTIONAL MUNITIONS	109,649		109,649
11	0602605F	DIRECTED ENERGY TECHNOLOGY	127,163		127,163
12	0602788F	DOMINANT INFORMATION SCIENCES AND METHODS	161,650		161,650
13	0602890F	HIGH ENERGY LASER RESEARCH	42,300	5,000	47,300
		Joint technology office		[5,000]	
		SUBTOTAL APPLIED RESEARCH	**1,260,152**	**10,000**	**1,270,152**
		ADVANCED TECHNOLOGY DEVELOPMENT			
14	0603112F	ADVANCED MATERIALS FOR WEAPON SYSTEMS	35,137		35,137
15	0603199F	SUSTAINMENT SCIENCE AND TECHNOLOGY (S&T)	20,636		20,636
16	0603203F	ADVANCED AEROSPACE SENSORS	40,945		40,945
17	0603211F	AEROSPACE TECHNOLOGY DEV/DEMO	130,950		130,950
18	0603216F	AEROSPACE PROPULSION AND POWER TECHNOLOGY	94,594	5,000	99,594
		Development of application-specific power circuit		[5,000]	
19	0603270F	ELECTRONIC COMBAT TECHNOLOGY	58,250	–5,000	53,250
		General decrease		[–5,000]	
20	0603401F	ADVANCED SPACECRAFT TECHNOLOGY	61,593		61,593
21	0603444F	MAUI SPACE SURVEILLANCE SYSTEM (MSSS)	11,681		11,681
22	0603456F	HUMAN EFFECTIVENESS ADVANCED TECHNOLOGY DEVELOPMENT	26,492		26,492

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Line	Program Element	Item	FY 2017 Request	Senate Change	Senate Authorized
23	0603601F	CONVENTIONAL WEAPONS TECHNOLOGY	102,009		102,009
24	0603605F	ADVANCED WEAPONS TECHNOLOGY	39,064		39,064
25	0603680F	MANUFACTURING TECHNOLOGY PROGRAM	46,344		46,344
26	0603788F	BATTLESPACE KNOWLEDGE DEVELOPMENT AND DEMONSTRATION	58,110	–10,000	48,110
		Unjustified increase		[–10,000]	
		SUBTOTAL ADVANCED TECHNOLOGY DEVELOPMENT	**725,805**	**–10,000**	**715,805**
		ADVANCED COMPONENT DEVELOPMENT & PROTOTYPES			
27	0603260F	INTELLIGENCE ADVANCED DEVELOPMENT	5,598		5,598
28	0603438F	SPACE CONTROL TECHNOLOGY	7,534		7,534
29	0603742F	COMBAT IDENTIFICATION TECHNOLOGY	24,418		24,418
30	0603790F	NATO RESEARCH AND DEVELOPMENT	4,333		4,333
32	0603830F	SPACE SECURITY AND DEFENSE PROGRAM	32,399		32,399
33	0603851F	INTERCONTINENTAL BALLISTIC MISSILE—DEM/VAL	108,663		108,663
35	0604015F	LONG RANGE STRIKE—BOMBER	1,358,309	–302,300	1,056,009
		Excess to contract award		[–302,300]	
36	0604257F	ADVANCED TECHNOLOGY AND SENSORS	34,818		34,818
37	0604317F	TECHNOLOGY TRANSFER	3,368		3,368
38	0604327F	HARD AND DEEPLY BURIED TARGET DEFEAT SYSTEM (HDBTDS) PROGRAM	74,308		74,308
39	0604422F	WEATHER SYSTEM FOLLOW-ON	118,953		118,953
40	0604425F	SPACE SITUATION AWARENESS SYSTEMS	9,901		9,901
41	0604776F	DEPLOYMENT & DISTRIBUTION ENTERPRISE R&D	25,890		25,890
42	0604857F	OPERATIONALLY RESPONSIVE SPACE	7,921	10,000	17,921
		Program increase		[10,000]	
43	0604858F	TECH TRANSITION PROGRAM	347,304		347,304
44	0605230F	GROUND BASED STRATEGIC DETERRENT	113,919		113,919
46	0207110F	NEXT GENERATION AIR DOMINANCE	20,595		20,595

47	0207455F	THREE DIMENSIONAL LONG-RANGE RADAR (3DELRR)	49,491		49,491
48	0305164F	NAVSTAR GLOBAL POSITIONING SYSTEM (USER EQUIPMENT) (SPACE)	278,147		278,147
49	0305236F	COMMON DATA LINK EXECUTIVE AGENT (CDL EA)	42,338		42,338
50	0306250F	CYBER OPERATIONS TECHNOLOGY DEVELOPMENT	158,002		158,002
51	0306415F	ENABLED CYBER ACTIVITIES	15,842		15,842
52	0901410F	CONTRACTING INFORMATION TECHNOLOGY SYSTEM	5,782		5,782
		SUBTOTAL ADVANCED COMPONENT DEVELOPMENT & PROTOTYPES	**2,847,833**	**–292,300**	**2,555,533**
		SYSTEM DEVELOPMENT & DEMONSTRATION			
54	0604270F	ELECTRONIC WARFARE DEVELOPMENT	12,476		12,476
55	0604281F	TACTICAL DATA NETWORKS ENTERPRISE	82,380		82,380
56	0604287F	PHYSICAL SECURITY EQUIPMENT	8,458		8,458
57	0604329F	SMALL DIAMETER BOMB (SDB)—EMD	54,838		54,838
58	0604421F	COUNTERSPACE SYSTEMS	34,394		34,394
59	0604425F	SPACE SITUATION AWARENESS SYSTEMS	23,945		23,945
60	0604426F	SPACE FENCE	168,364		168,364
61	0604429F	AIRBORNE ELECTRONIC ATTACK	9,187		9,187
62	0604441F	SPACE BASED INFRARED SYSTEM (SBIRS) HIGH EMD	181,966		181,966
63	0604602F	ARMAMENT/ORDNANCE DEVELOPMENT	20,312		20,312
64	0604604F	SUBMUNITIONS	2,503		2,503
65	0604617F	AGILE COMBAT SUPPORT	53,680		53,680
66	0604618F	JOINT DIRECT ATTACK MUNITION	9,901		9,901
67	0604706F	LIFE SUPPORT SYSTEMS	7,520		7,520
68	0604735F	COMBAT TRAINING RANGES	77,409		77,409
69	0604800F	F–35—EMD	450,467		450,467
70	0604853F	EVOLVED EXPENDABLE LAUNCH VEHICLE PROGRAM (SPACE)—EMD	296,572		296,572
71	0604932F	LONG RANGE STANDOFF WEAPON	95,604		95,604
72	0604933F	ICBM FUZE MODERNIZATION	189,751		189,751
73	0605030F	JOINT TACTICAL NETWORK CENTER (JTNC)	1,131		1,131
74	0605213F	F–22 MODERNIZATION INCREMENT 3.2B	70,290		70,290
75	0605214F	GROUND ATTACK WEAPONS FUZE DEVELOPMENT	937		937
76	0605221F	KC–46	261,724	–140,000	121,724

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		Ahead of need		[–140,000]	
77	0605223F	ADVANCED PILOT TRAINING	12,377	–7,900	4,477
		Early to need		[–7,900]	
78	0605229F	CSAR HH–60 RECAPITALIZATION	319,331		319,331
80	0605431F	ADVANCED EHF MILSATCOM (SPACE)	259,131	–30,000	229,131
		Delayed analysis of alternatives		[–30,000]	
81	0605432F	POLAR MILSATCOM (SPACE)	50,815		50,815
82	0605433F	WIDEBAND GLOBAL SATCOM (SPACE)	41,632		41,632
83	0605458F	AIR & SPACE OPS CENTER 10.2 RDT&E	28,911		28,911
84	0605931F	B–2 DEFENSIVE MANAGEMENT SYSTEM	315,615	–26,700	288,915
		Unobligated prior year funds		[–26,700]	
85	0101125F	NUCLEAR WEAPONS MODERNIZATION	137,909		137,909
86	0207171F	F–15 EPAWSS	256,669		256,669
87	0207701F	FULL COMBAT MISSION TRAINING	12,051		12,051
88	0305176F	COMBAT SURVIVOR EVADER LOCATOR	29,253		29,253
89	0307581F	JSTARS RECAP	128,019		128,019
90	0401319F	PRESIDENTIAL AIRCRAFT REPLACEMENT (PAR)	351,220		351,220
91	0701212F	AUTOMATED TEST SYSTEMS	19,062		19,062
		SUBTOTAL SYSTEM DEVELOPMENT & DEMONSTRATION	**4,075,804**	**–204,600**	**3,871,204**
		MANAGEMENT SUPPORT			
92	0604256F	THREAT SIMULATOR DEVELOPMENT	21,630		21,630
93	0604759F	MAJOR T&E INVESTMENT	66,385		66,385
94	0605101F	RAND PROJECT AIR FORCE	34,641		34,641
96	0605712F	INITIAL OPERATIONAL TEST & EVALUATION	11,529		11,529
97	0605807F	TEST AND EVALUATION SUPPORT	661,417		661,417
98	0605860F	ROCKET SYSTEMS LAUNCH PROGRAM (SPACE)	11,198		11,198

99	0605864F	SPACE TEST PROGRAM (STP)	27,070		27,070
100	0605976F	FACILITIES RESTORATION AND MODERNIZATION—TEST AND EVALUATION SUPPORT	134,111		134,111
101	0605978F	FACILITIES SUSTAINMENT—TEST AND EVALUATION SUPPORT	28,091		28,091
102	0606017F	REQUIREMENTS ANALYSIS AND MATURATION	29,100		29,100
103	0606116F	SPACE TEST AND TRAINING RANGE DEVELOPMENT	18,528		18,528
104	0606392F	SPACE AND MISSILE CENTER (SMC) CIVILIAN WORKFORCE	176,666		176,666
105	0308602F	ENTEPRISE INFORMATION SERVICES (EIS)	4,410		4,410
106	0702806F	ACQUISITION AND MANAGEMENT SUPPORT	14,613		14,613
107	0804731F	GENERAL SKILL TRAINING	1,404		1,404
109	1001004F	INTERNATIONAL ACTIVITIES	4,784		4,784
		SUBTOTAL MANAGEMENT SUPPORT	**1,245,577**	**0**	**1,245,577**
		OPERATIONAL SYSTEMS DEVELOPMENT			
110	0603423F	GLOBAL POSITIONING SYSTEM III—OPERATIONAL CONTROL SEGMENT	393,268		393,268
111	0604233F	SPECIALIZED UNDERGRADUATE FLIGHT TRAINING	15,427		15,427
112	0604445F	WIDE AREA SURVEILLANCE	46,695		46,695
115	0605018F	AF INTEGRATED PERSONNEL AND PAY SYSTEM (AF-IPPS)	10,368		10,368
116	0605024F	ANTI-TAMPER TECHNOLOGY EXECUTIVE AGENCY	31,952		31,952
117	0605117F	FOREIGN MATERIEL ACQUISITION AND EXPLOITATION	42,960		42,960
118	0605278F	HC/MC–130 RECAP RDT&E	13,987		13,987
119	0101113F	B–52 SQUADRONS	78,267		78,267
120	0101122F	AIR-LAUNCHED CRUISE MISSILE (ALCM)	453		453
121	0101126F	B–1B SQUADRONS	5,830		5,830
122	0101127F	B–2 SQUADRONS	152,458		152,458
123	0101213F	MINUTEMAN SQUADRONS	182,958		182,958
124	0101313F	STRAT WAR PLANNING SYSTEM—USSTRATCOM	39,148		39,148
126	0101316F	WORLDWIDE JOINT STRATEGIC COMMUNICATIONS	6,042		6,042
128	0102110F	UH–1N REPLACEMENT PROGRAM	14,116		14,116
129	0102326F	REGION/SECTOR OPERATION CONTROL CENTER MODERNIZATION PROGRAM	10,868		10,868
130	0105921F	SERVICE SUPPORT TO STRATCOM—SPACE ACTIVITIES	8,674		8,674
131	0205219F	MQ–9 UAV	151,373	35,100	186,473
		Automatic Takeoff and Landing Control System		[35,100]	

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133	0207131F	A–10 SQUADRONS	14,853		14,853
134	0207133F	F–16 SQUADRONS	132,795		132,795
135	0207134F	F–15E SQUADRONS	356,717		356,717
136	0207136F	MANNED DESTRUCTIVE SUPPRESSION	14,773		14,773
137	0207138F	F–22A SQUADRONS	387,564		387,564
138	0207142F	F–35 SQUADRONS	153,045		153,045
139	0207161F	TACTICAL AIM MISSILES	52,898		52,898
140	0207163F	ADVANCED MEDIUM RANGE AIR-TO-AIR MISSILE (AMRAAM)	62,470		62,470
143	0207227F	COMBAT RESCUE—PARARESCUE	362		362
144	0207247F	AF TENCAP	28,413		28,413
145	0207249F	PRECISION ATTACK SYSTEMS PROCUREMENT	649		649
146	0207253F	COMPASS CALL	13,723		13,723
147	0207268F	AIRCRAFT ENGINE COMPONENT IMPROVEMENT PROGRAM	109,859		109,859
148	0207325F	JOINT AIR-TO-SURFACE STANDOFF MISSILE (JASSM)	30,002		30,002
149	0207410F	AIR & SPACE OPERATIONS CENTER (AOC)	37,621		37,621
150	0207412F	CONTROL AND REPORTING CENTER (CRC)	13,292		13,292
151	0207417F	AIRBORNE WARNING AND CONTROL SYSTEM (AWACS)	86,644		86,644
152	0207418F	TACTICAL AIRBORNE CONTROL SYSTEMS	2,442		2,442
154	0207431F	COMBAT AIR INTELLIGENCE SYSTEM ACTIVITIES	10,911		10,911
155	0207444F	TACTICAL AIR CONTROL PARTY-MOD	11,843		11,843
156	0207448F	C2ISR TACTICAL DATA LINK	1,515		1,515
157	0207452F	DCAPES	14,979		14,979
158	0207590F	SEEK EAGLE	25,308		25,308
159	0207601F	USAF MODELING AND SIMULATION	16,666		16,666
160	0207605F	WARGAMING AND SIMULATION CENTERS	4,245		4,245
161	0207697F	DISTRIBUTED TRAINING AND EXERCISES	3,886		3,886
162	0208006F	MISSION PLANNING SYSTEMS	71,785		71,785

164	0208087F	AF OFFENSIVE CYBERSPACE OPERATIONS	25,025	25,025
165	0208088F	AF DEFENSIVE CYBERSPACE OPERATIONS	29,439	29,439
168	0301017F	GLOBAL SENSOR INTEGRATED ON NETWORK (GSIN)	3,470	3,470
169	0301112F	NUCLEAR PLANNING AND EXECUTION SYSTEM (NPES)	4,060	4,060
175	0301400F	SPACE SUPERIORITY INTELLIGENCE	13,880	13,880
176	0302015F	E–4B NATIONAL AIRBORNE OPERATIONS CENTER (NAOC)	30,948	30,948
177	0303001F	FAMILY OF ADVANCED BLOS TERMINALS (FAB-T)	42,378	42,378
178	0303131F	MINIMUM ESSENTIAL EMERGENCY COMMUNICATIONS NETWORK (MEECN)	47,471	47,471
179	0303140F	INFORMATION SYSTEMS SECURITY PROGRAM	46,388	46,388
180	0303141F	GLOBAL COMBAT SUPPORT SYSTEM	52	52
181	0303142F	GLOBAL FORCE MANAGEMENT—DATA INITIATIVE	2,099	2,099
184	0304260F	AIRBORNE SIGINT ENTERPRISE	90,762	90,762
187	0305099F	GLOBAL AIR TRAFFIC MANAGEMENT (GATM)	4,354	4,354
188	0305110F	SATELLITE CONTROL NETWORK (SPACE)	15,624	15,624
189	0305111F	WEATHER SERVICE	19,974	19,974
190	0305114F	AIR TRAFFIC CONTROL, APPROACH, AND LANDING SYSTEM (ATCALS)	9,770	9,770
191	0305116F	AERIAL TARGETS	3,051	3,051
194	0305128F	SECURITY AND INVESTIGATIVE ACTIVITIES	405	405
195	0305145F	ARMS CONTROL IMPLEMENTATION	4,844	4,844
196	0305146F	DEFENSE JOINT COUNTERINTELLIGENCE ACTIVITIES	339	339
199	0305173F	SPACE AND MISSILE TEST AND EVALUATION CENTER	3,989	3,989
200	0305174F	SPACE INNOVATION, INTEGRATION AND RAPID TECHNOLOGY DEVELOPMENT	3,070	3,070
201	0305179F	INTEGRATED BROADCAST SERVICE (IBS)	8,833	8,833
202	0305182F	SPACELIFT RANGE SYSTEM (SPACE)	11,867	11,867
203	0305202F	DRAGON U–2	37,217	37,217
205	0305206F	AIRBORNE RECONNAISSANCE SYSTEMS	3,841	3,841
206	0305207F	MANNED RECONNAISSANCE SYSTEMS	20,975	20,975
207	0305208F	DISTRIBUTED COMMON GROUND/SURFACE SYSTEMS	18,902	18,902
208	0305220F	RQ–4 UAV	256,307	256,307
209	0305221F	NETWORK-CENTRIC COLLABORATIVE TARGETING	22,610	22,610
211	0305238F	NATO AGS	38,904	38,904
212	0305240F	SUPPORT TO DCGS ENTERPRISE	23,084	23,084

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213	0305258F	ADVANCED EVALUATION PROGRAM	116,143		116,143
214	0305265F	GPS III SPACE SEGMENT	141,888		141,888
215	0305600F	INTERNATIONAL INTELLIGENCE TECHNOLOGY AND ARCHITECTURES	2,360		2,360
216	0305614F	JSPOC MISSION SYSTEM	72,889		72,889
217	0305881F	RAPID CYBER ACQUISITION	4,280		4,280
218	0305906F	NCMC—TW/AA SYSTEM	4,951		4,951
219	0305913F	NUDET DETECTION SYSTEM (SPACE)	21,093		21,093
220	0305940F	SPACE SITUATION AWARENESS OPERATIONS	35,002		35,002
222	0308699F	SHARED EARLY WARNING (SEW)	6,366		6,366
223	0401115F	C–130 AIRLIFT SQUADRON	15,599		15,599
224	0401119F	C–5 AIRLIFT SQUADRONS (IF)	66,146		66,146
225	0401130F	C–17 AIRCRAFT (IF)	12,430		12,430
226	0401132F	C–130J PROGRAM	16,776		16,776
227	0401134F	LARGE AIRCRAFT IR COUNTERMEASURES (LAIRCM)	5,166		5,166
229	0401314F	OPERATIONAL SUPPORT AIRLIFT	13,817		13,817
230	0401318F	CV–22	16,702		16,702
231	0408011F	SPECIAL TACTICS / COMBAT CONTROL	7,164		7,164
232	0702207F	DEPOT MAINTENANCE (NON-IF)	1,518		1,518
233	0708610F	LOGISTICS INFORMATION TECHNOLOGY (LOGIT)	61,676		61,676
234	0708611F	SUPPORT SYSTEMS DEVELOPMENT	9,128		9,128
235	0804743F	OTHER FLIGHT TRAINING	1,653		1,653
236	0808716F	OTHER PERSONNEL ACTIVITIES	57		57
237	0901202F	JOINT PERSONNEL RECOVERY AGENCY	3,663		3,663
238	0901218F	CIVILIAN COMPENSATION PROGRAM	3,735		3,735
239	0901220F	PERSONNEL ADMINISTRATION	5,157		5,157
240	0901226F	AIR FORCE STUDIES AND ANALYSIS AGENCY	1,523		1,523
242	0901538F	FINANCIAL MANAGEMENT INFORMATION SYSTEMS DEVELOPMENT	10,581	–6,800	3,781

		Cost estimating unjustified requset		[–4,900]	
		PBES unjustified request		[–1,900]	
250	9999999999	CLASSIFIED PROGRAMS	13,091,557		13,091,557
		SUBTOTAL OPERATIONAL SYSTEMS DEVELOPMENT	**17,457,056**	**28,300**	**17,485,356**
		TOTAL RESEARCH, DEVELOPMENT, TEST & EVAL, AF	**28,112,251**	**–468,600**	**27,643,651**
		RESEARCH, DEVELOPMENT, TEST & EVAL, DW			
		BASIC RESEARCH			
1	0601000BR	DTRA BASIC RESEARCH INITIATIVE	35,436		35,436
2	0601101E	DEFENSE RESEARCH SCIENCES	362,297		362,297
3	0601110D8Z	BASIC RESEARCH INITIATIVES	36,654		36,654
4	0601117E	BASIC OPERATIONAL MEDICAL RESEARCH SCIENCE	57,791		57,791
5	0601120D8Z	NATIONAL DEFENSE EDUCATION PROGRAM	69,345		69,345
6	0601228D8Z	HISTORICALLY BLACK COLLEGES AND UNIVERSITIES/MINORITY INSTITUTIONS	23,572		23,572
7	0601384BP	CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM	44,800		44,800
		SUBTOTAL BASIC RESEARCH	**629,895**	**0**	**629,895**
		APPLIED RESEARCH			
8	0602000D8Z	JOINT MUNITIONS TECHNOLOGY	17,745		17,745
9	0602115E	BIOMEDICAL TECHNOLOGY	115,213		115,213
10	0602230D8Z	DEFENSE TECHNOLOGY INNOVATION	30,000		30,000
11	0602234D8Z	LINCOLN LABORATORY RESEARCH PROGRAM	48,269		48,269
12	0602251D8Z	APPLIED RESEARCH FOR THE ADVANCEMENT OF S&T PRIORITIES	42,206		42,206
13	0602303E	INFORMATION & COMMUNICATIONS TECHNOLOGY	353,635		353,635
14	0602383E	BIOLOGICAL WARFARE DEFENSE	21,250		21,250
15	0602384BP	CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM	188,715		188,715
16	0602668D8Z	CYBER SECURITY RESEARCH	12,183		12,183
17	0602702E	TACTICAL TECHNOLOGY	313,843		313,843
18	0602715E	MATERIALS AND BIOLOGICAL TECHNOLOGY	220,456		220,456
19	0602716E	ELECTRONICS TECHNOLOGY	221,911		221,911
20	0602718BR	WEAPONS OF MASS DESTRUCTION DEFEAT TECHNOLOGIES	154,857		154,857

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21	0602751D8Z	SOFTWARE ENGINEERING INSTITUTE (SEI) APPLIED RESEARCH	8,420		8,420
22	1160401BB	SOF TECHNOLOGY DEVELOPMENT	37,820		37,820
		SUBTOTAL APPLIED RESEARCH	**1,786,523**	**0**	**1,786,523**
		ADVANCED TECHNOLOGY DEVELOPMENT			
23	0603000D8Z	JOINT MUNITIONS ADVANCED TECHNOLOGY	23,902		23,902
25	0603122D8Z	COMBATING TERRORISM TECHNOLOGY SUPPORT	73,002		73,002
26	0603133D8Z	FOREIGN COMPARATIVE TESTING	19,343		19,343
27	0603160BR	COUNTERPROLIFERATION INITIATIVES—PROLIFERATION PREVENTION AND DEFEAT	266,444		266,444
28	0603176C	ADVANCED CONCEPTS AND PERFORMANCE ASSESSMENT	17,880		17,880
30	0603178C	WEAPONS TECHNOLOGY	71,843		71,843
31	0603179C	ADVANCED C4ISR	3,626		3,626
32	0603180C	ADVANCED RESEARCH	23,433		23,433
33	0603225D8Z	JOINT DOD-DOE MUNITIONS TECHNOLOGY DEVELOPMENT	17,256		17,256
35	0603274C	SPECIAL PROGRAM—MDA TECHNOLOGY	83,745		83,745
36	0603286E	ADVANCED AEROSPACE SYSTEMS	182,327		182,327
37	0603287E	SPACE PROGRAMS AND TECHNOLOGY	175,240		175,240
38	0603288D8Z	ANALYTIC ASSESSMENTS	12,048		12,048
39	0603289D8Z	ADVANCED INNOVATIVE ANALYSIS AND CONCEPTS	57,020		57,020
41	0603375D8Z	TECHNOLOGY INNOVATION	39,923		39,923
42	0603384BP	CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM—ADVANCED DEVELOPMENT	127,941		127,941
43	0603527D8Z	RETRACT LARCH	181,977		181,977
44	0603618D8Z	JOINT ELECTRONIC ADVANCED TECHNOLOGY	22,030		22,030
45	0603648D8Z	JOINT CAPABILITY TECHNOLOGY DEMONSTRATIONS	148,184		148,184
46	0603662D8Z	NETWORKED COMMUNICATIONS CAPABILITIES	9,331		9,331
47	0603680D8Z	DEFENSE-WIDE MANUFACTURING SCIENCE AND TECHNOLOGY PROGRAM	158,398		158,398
48	0603680S	MANUFACTURING TECHNOLOGY PROGRAM	31,259		31,259

49	0603699D8Z	EMERGING CAPABILITIES TECHNOLOGY DEVELOPMENT	49,895		49,895
50	0603712S	GENERIC LOGISTICS R&D TECHNOLOGY DEMONSTRATIONS	11,011		11,011
52	0603716D8Z	STRATEGIC ENVIRONMENTAL RESEARCH PROGRAM	65,078		65,078
53	0603720S	MICROELECTRONICS TECHNOLOGY DEVELOPMENT AND SUPPORT	97,826		97,826
54	0603727D8Z	JOINT WARFIGHTING PROGRAM	7,848		7,848
55	0603739E	ADVANCED ELECTRONICS TECHNOLOGIES	49,807		49,807
56	0603760E	COMMAND, CONTROL AND COMMUNICATIONS SYSTEMS	155,081		155,081
57	0603766E	NETWORK-CENTRIC WARFARE TECHNOLOGY	428,894		428,894
58	0603767E	SENSOR TECHNOLOGY	241,288		241,288
60	0603781D8Z	SOFTWARE ENGINEERING INSTITUTE	14,264		14,264
61	0603826D8Z	QUICK REACTION SPECIAL PROJECTS	74,943		74,943
63	0603833D8Z	ENGINEERING SCIENCE & TECHNOLOGY	17,659		17,659
64	0603941D8Z	TEST & EVALUATION SCIENCE & TECHNOLOGY	87,135		87,135
65	0604055D8Z	OPERATIONAL ENERGY CAPABILITY IMPROVEMENT	37,329	4,000	41,329
		Competitive technology investment		[4,000]	
66	0303310D8Z	CWMD SYSTEMS	44,836		44,836
67	1160402BB	SOF ADVANCED TECHNOLOGY DEVELOPMENT	61,620		61,620
		SUBTOTAL ADVANCED TECHNOLOGY DEVELOPMENT	**3,190,666**	**4,000**	**3,194,666**
		ADVANCED COMPONENT DEVELOPMENT AND PROTOTYPES			
68	0603161D8Z	NUCLEAR AND CONVENTIONAL PHYSICAL SECURITY EQUIPMENT RDT&E ADC&P	28,498		28,498
69	0603600D8Z	WALKOFF	89,643		89,643
71	0603821D8Z	ACQUISITION ENTERPRISE DATA & INFORMATION SERVICES	2,136		2,136
72	0603851D8Z	ENVIRONMENTAL SECURITY TECHNICAL CERTIFICATION PROGRAM	52,491		52,491
73	0603881C	BALLISTIC MISSILE DEFENSE TERMINAL DEFENSE SEGMENT	206,834		206,834
74	0603882C	BALLISTIC MISSILE DEFENSE MIDCOURSE DEFENSE SEGMENT	862,080		862,080
75	0603884BP	CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM—DEM/VAL	138,187		138,187
76	0603884C	BALLISTIC MISSILE DEFENSE SENSORS	230,077		230,077
77	0603890C	BMD ENABLING PROGRAMS	401,594		401,594
78	0603891C	SPECIAL PROGRAMS—MDA	321,607		321,607
79	0603892C	AEGIS BMD	959,066		959,066
80	0603893C	SPACE TRACKING & SURVEILLANCE SYSTEM	32,129		32,129

SEC. 4201. RESEARCH, DEVELOPMENT, TEST, AND EVALUATION
(In Thousands of Dollars)

Line	Program Element	Item	FY 2017 Request	Senate Change	Senate Authorized
81	0603895C	BALLISTIC MISSILE DEFENSE SYSTEM SPACE PROGRAMS	20,690		20,690
82	0603896C	BALLISTIC MISSILE DEFENSE COMMAND AND CONTROL, BATTLE MANAGEMENT AND COMMUNICATI.	439,617	10,000	449,617
		Post Intercept Assessment Acceleration		[10,000]	
83	0603898C	BALLISTIC MISSILE DEFENSE JOINT WARFIGHTER SUPPORT	47,776		47,776
84	0603904C	MISSILE DEFENSE INTEGRATION & OPERATIONS CENTER (MDIOC)	54,750		54,750
85	0603906C	REGARDING TRENCH	8,785		8,785
86	0603907C	SEA BASED X-BAND RADAR (SBX)	68,787		68,787
87	0603913C	ISRAELI COOPERATIVE PROGRAMS	103,835	135,000	238,835
		Arrow (base program)		[50,000]	
		Arrow–3		[25,000]	
		David's Sling		[60,000]	
88	0603914C	BALLISTIC MISSILE DEFENSE TEST	293,441		293,441
89	0603915C	BALLISTIC MISSILE DEFENSE TARGETS	563,576		563,576
90	0603920D8Z	HUMANITARIAN DEMINING	10,007		10,007
91	0603923D8Z	COALITION WARFARE	10,126	1,000	11,126
		Long Endurance UAS		[1,000]	
92	0604016D8Z	DEPARTMENT OF DEFENSE CORROSION PROGRAM	3,893	5,000	8,893
		Corrosion prevention		[5,000]	
93	0604115C	TECHNOLOGY MATURATION INITIATIVES	90,266		90,266
94	0604132D8Z	MISSILE DEFEAT PROJECT	45,000		45,000
95	0604250D8Z	ADVANCED INNOVATIVE TECHNOLOGIES	844,870		844,870
96	0604342D8Z	DEFENSE TECHNOLOGY OFFSET	0	25,000	25,000
		Directed energy systems prototyping		[25,000]	
97	0604400D8Z	DEPARTMENT OF DEFENSE (DOD) UNMANNED SYSTEM COMMON DEVELOPMENT	3,320		3,320
99	0604682D8Z	WARGAMING AND SUPPORT FOR STRATEGIC ANALYSIS (SSA)	4,000		4,000
102	0604826J	JOINT C5 CAPABILITY DEVELOPMENT, INTEGRATION AND INTEROPERABILITY ASSESSMENTS	23,642		23,642

104	0604873C	LONG RANGE DISCRIMINATION RADAR (LRDR)	162,012		162,012
105	0604874C	IMPROVED HOMELAND DEFENSE INTERCEPTORS	274,148	55,000	329,148
		GBI Booster Acceleration		[30,000]	
		RKV Risk Reduction		[25,000]	
106	0604876C	BALLISTIC MISSILE DEFENSE TERMINAL DEFENSE SEGMENT TEST	63,444		63,444
107	0604878C	AEGIS BMD TEST	95,012		95,012
108	0604879C	BALLISTIC MISSILE DEFENSE SENSOR TEST	83,250		83,250
109	0604880C	LAND-BASED SM–3 (LBSM3)	43,293		43,293
110	0604881C	AEGIS SM–3 BLOCK IIA CO-DEVELOPMENT	106,038		106,038
111	0604887C	BALLISTIC MISSILE DEFENSE MIDCOURSE SEGMENT TEST	56,481		56,481
112	0604894C	MULTI-OBJECT KILL VEHICLE	71,513	50,000	121,513
		Technology maturation		[50,000]	
114	0303191D8Z	JOINT ELECTROMAGNETIC TECHNOLOGY (JET) PROGRAM	2,636		2,636
115	0305103C	CYBER SECURITY INITIATIVE	969		969
		SUBTOTAL ADVANCED COMPONENT DEVELOPMENT AND PROTOTYPES	**6,919,519**	**281,000**	**7,200,519**
		SYSTEM DEVELOPMENT AND DEMONSTRATION			
116	0604161D8Z	NUCLEAR AND CONVENTIONAL PHYSICAL SECURITY EQUIPMENT RDT&E SDD	10,324		10,324
117	0604165D8Z	PROMPT GLOBAL STRIKE CAPABILITY DEVELOPMENT	181,303		181,303
118	0604384BP	CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM—EMD	266,231		266,231
120	0604771D8Z	JOINT TACTICAL INFORMATION DISTRIBUTION SYSTEM (JTIDS)	16,288		16,288
121	0605000BR	WEAPONS OF MASS DESTRUCTION DEFEAT CAPABILITIES	4,568		4,568
122	0605013BL	INFORMATION TECHNOLOGY DEVELOPMENT	11,505		11,505
123	0605021SE	HOMELAND PERSONNEL SECURITY INITIATIVE	1,658		1,658
124	0605022D8Z	DEFENSE EXPORTABILITY PROGRAM	2,920		2,920
126	0605070S	DOD ENTERPRISE SYSTEMS DEVELOPMENT AND DEMONSTRATION	12,631		12,631
128	0605080S	DEFENSE AGENCY INTIATIVES (DAI)—FINANCIAL SYSTEM	26,657		26,657
129	0605090S	DEFENSE RETIRED AND ANNUITANT PAY SYSTEM (DRAS)	4,949		4,949
130	0605140D8Z	TRUSTED FOUNDRY	69,000		69,000
131	0605210D8Z	DEFENSE-WIDE ELECTRONIC PROCUREMENT CAPABILITIES	9,881		9,881
132	0303141K	GLOBAL COMBAT SUPPORT SYSTEM	7,600		7,600
133	0305304D8Z	DOD ENTERPRISE ENERGY INFORMATION MANAGEMENT (EEIM)	2,703		2,703

SEC. 4201. RESEARCH, DEVELOPMENT, TEST, AND EVALUATION
(In Thousands of Dollars)

Line	Program Element	Item	FY 2017 Request	Senate Change	Senate Authorized
		SUBTOTAL SYSTEM DEVELOPMENT AND DEMONSTRATION	**628,218**	**0**	**628,218**
		MANAGEMENT SUPPORT			
134	0604774D8Z	DEFENSE READINESS REPORTING SYSTEM (DRRS)	4,678		4,678
135	0604875D8Z	JOINT SYSTEMS ARCHITECTURE DEVELOPMENT	4,499		4,499
136	0604940D8Z	CENTRAL TEST AND EVALUATION INVESTMENT DEVELOPMENT (CTEIP)	219,199		219,199
137	0604942D8Z	ASSESSMENTS AND EVALUATIONS	28,706	100,000	128,706
		Classified assessment		[100,000]	
138	0605001E	MISSION SUPPORT	69,244		69,244
139	0605100D8Z	JOINT MISSION ENVIRONMENT TEST CAPABILITY (JMETC)	87,080		87,080
140	0605104D8Z	TECHNICAL STUDIES, SUPPORT AND ANALYSIS	23,069		23,069
142	0605126J	JOINT INTEGRATED AIR AND MISSILE DEFENSE ORGANIZATION (JIAMDO)	32,759		32,759
144	0605142D8Z	SYSTEMS ENGINEERING	32,429		32,429
145	0605151D8Z	STUDIES AND ANALYSIS SUPPORT—OSD	3,797		3,797
146	0605161D8Z	NUCLEAR MATTERS-PHYSICAL SECURITY	5,302		5,302
147	0605170D8Z	SUPPORT TO NETWORKS AND INFORMATION INTEGRATION	7,246		7,246
148	0605200D8Z	GENERAL SUPPORT TO USD (INTELLIGENCE)	1,874		1,874
149	0605384BP	CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM	85,754		85,754
158	0605790D8Z	SMALL BUSINESS INNOVATION RESEARCH (SBIR)/ SMALL BUSINESS TECHNOLOGY TRANSFER	2,187		2,187
159	0605798D8Z	DEFENSE TECHNOLOGY ANALYSIS	22,650		22,650
160	0605801KA	DEFENSE TECHNICAL INFORMATION CENTER (DTIC)	43,834		43,834
161	0605803SE	R&D IN SUPPORT OF DOD ENLISTMENT, TESTING AND EVALUATION	22,240		22,240
162	0605804D8Z	DEVELOPMENT TEST AND EVALUATION	19,541	5,000	24,541
		Program increase		[5,000]	
163	0605898E	MANAGEMENT HQ—R&D	4,759		4,759
164	0605998KA	MANAGEMENT HQ—DEFENSE TECHNICAL INFORMATION CENTER (DTIC)	4,400		4,400
165	0606100D8Z	BUDGET AND PROGRAM ASSESSMENTS	4,014		4,014

166	0203345D8Z	DEFENSE OPERATIONS SECURITY INITIATIVE (DOSI)	2,072		2,072
167	0204571J	JOINT STAFF ANALYTICAL SUPPORT	7,464		7,464
170	0303166J	SUPPORT TO INFORMATION OPERATIONS (IO) CAPABILITIES	857		857
171	0303260D8Z	DEFENSE MILITARY DECEPTION PROGRAM OFFICE (DMDPO)	916		916
172	0305172K	COMBINED ADVANCED APPLICATIONS	15,336		15,336
173	0305193D8Z	CYBER INTELLIGENCE	18,523		18,523
175	0804767D8Z	COCOM EXERCISE ENGAGEMENT AND TRAINING TRANSFORMATION (CE2T2)—MHA	34,384		34,384
176	0901598C	MANAGEMENT HQ—MDA	31,160		31,160
179	0903235D8W	JOINT SERVICE PROVIDER (JSP)	827		827
180	9999999999	CLASSIFIED PROGRAMS	56,799		56,799
		SUBTOTAL MANAGEMENT SUPPORT	**897,599**	**105,000**	**1,002,599**
		OPERATIONAL SYSTEM DEVELOPMENT			
181	0604130V	ENTERPRISE SECURITY SYSTEM (ESS)	4,241		4,241
182	0605127T	REGIONAL INTERNATIONAL OUTREACH (RIO) AND PARTNERSHIP FOR PEACE INFORMATION MANA	1,424		1,424
183	0605147T	OVERSEAS HUMANITARIAN ASSISTANCE SHARED INFORMATION SYSTEM (OHASIS)	287		287
184	0607210D8Z	INDUSTRIAL BASE ANALYSIS AND SUSTAINMENT SUPPORT	16,195		16,195
185	0607310D8Z	CWMD SYSTEMS: OPERATIONAL SYSTEMS DEVELOPMENT	4,194		4,194
186	0607327T	GLOBAL THEATER SECURITY COOPERATION MANAGEMENT INFORMATION SYSTEMS (G-TSCMIS)	7,861		7,861
187	0607384BP	CHEMICAL AND BIOLOGICAL DEFENSE (OPERATIONAL SYSTEMS DEVELOPMENT)	33,361		33,361
189	0208043J	PLANNING AND DECISION AID SYSTEM (PDAS)	3,038		3,038
190	0208045K	C4I INTEROPERABILITY	57,501		57,501
192	0301144K	JOINT/ALLIED COALITION INFORMATION SHARING	5,935		5,935
196	0302016K	NATIONAL MILITARY COMMAND SYSTEM-WIDE SUPPORT	575		575
197	0302019K	DEFENSE INFO INFRASTRUCTURE ENGINEERING AND INTEGRATION	18,041		18,041
198	0303126K	LONG-HAUL COMMUNICATIONS—DCS	13,994		13,994
199	0303131K	MINIMUM ESSENTIAL EMERGENCY COMMUNICATIONS NETWORK (MEECN)	12,206		12,206
200	0303135G	PUBLIC KEY INFRASTRUCTURE (PKI)	34,314		34,314
201	0303136G	KEY MANAGEMENT INFRASTRUCTURE (KMI)	36,602		36,602
202	0303140D8Z	INFORMATION SYSTEMS SECURITY PROGRAM	8,876		8,876
203	0303140G	INFORMATION SYSTEMS SECURITY PROGRAM	159,068	13,000	172,068
		Cross Domain Solutions		[5,000]	

SEC. 4201. RESEARCH, DEVELOPMENT, TEST, AND EVALUATION
(In Thousands of Dollars)

Line	Program Element	Item	FY 2017 Request	Senate Change	Senate Authorized
		Reduction to NSA Information Systems and Security Programs		[–8,000]	
		Sharkseer		[16,000]	
204	0303150K	GLOBAL COMMAND AND CONTROL SYSTEM	24,438		24,438
205	0303153K	DEFENSE SPECTRUM ORGANIZATION	13,197		13,197
207	0303228K	JOINT INFORMATION ENVIRONMENT (JIE)	2,789		2,789
209	0303430K	FEDERAL INVESTIGATIVE SERVICES INFORMATION TECHNOLOGY	75,000		75,000
210	0303610K	TELEPORT PROGRAM	657		657
215	0305103K	CYBER SECURITY INITIATIVE	1,553		1,553
220	0305186D8Z	POLICY R&D PROGRAMS	6,204		6,204
221	0305199D8Z	NET CENTRICITY	17,971		17,971
223	0305208BB	DISTRIBUTED COMMON GROUND/SURFACE SYSTEMS	5,415		5,415
226	0305208K	DISTRIBUTED COMMON GROUND/SURFACE SYSTEMS	3,030		3,030
229	0305327V	INSIDER THREAT	5,034		5,034
230	0305387D8Z	HOMELAND DEFENSE TECHNOLOGY TRANSFER PROGRAM	2,037		2,037
236	0307577D8Z	INTELLIGENCE MISSION DATA (IMD)	13,800		13,800
238	0708012S	PACIFIC DISASTER CENTERS	1,754		1,754
239	0708047S	DEFENSE PROPERTY ACCOUNTABILITY SYSTEM	2,154		2,154
240	0902298J	MANAGEMENT HQ—OJCS	826		826
241	1105219BB	MQ–9 UAV	17,804	12,000	29,804
		MQ–9 capability enhancements		[12,000]	
244	1160403BB	AVIATION SYSTEMS	159,143		159,143
245	1160405BB	INTELLIGENCE SYSTEMS DEVELOPMENT	7,958		7,958
246	1160408BB	OPERATIONAL ENHANCEMENTS	64,895		64,895
247	1160431BB	WARRIOR SYSTEMS	44,885		44,885
248	1160432BB	SPECIAL PROGRAMS	1,949		1,949
249	1160434BB	UNMANNED ISR	22,117		22,117
250	1160480BB	SOF TACTICAL VEHICLES	3,316		3,316

251	1160483BB	MARITIME SYSTEMS	54,577		54,577
252	1160489BB	GLOBAL VIDEO SURVEILLANCE ACTIVITIES	3,841		3,841
253	1160490BB	OPERATIONAL ENHANCEMENTS INTELLIGENCE	11,834		11,834
254	9999999999	CLASSIFIED PROGRAMS	3,270,515		3,270,515
255	0303140K	INFORMATION SYSTEMS SECURITY PROGRAM	0	16,300	16,300
		Sharkseer email protection		[16,300]	
		SUBTOTAL OPERATIONAL SYSTEM DEVELOPMENT	**4,256,406**	**41,300**	**4,297,706**
		TOTAL RESEARCH, DEVELOPMENT, TEST & EVAL, DW	**18,308,826**	**431,300**	**18,740,126**
		OPERATIONAL TEST & EVAL, DEFENSE			
		MANAGEMENT SUPPORT			
1	0605118OTE	OPERATIONAL TEST AND EVALUATION	78,047		78,047
2	0605131OTE	LIVE FIRE TEST AND EVALUATION	48,316		48,316
3	0605814OTE	OPERATIONAL TEST ACTIVITIES AND ANALYSES	52,631		52,631
		SUBTOTAL MANAGEMENT SUPPORT	**178,994**	**0**	**178,994**
		TOTAL OPERATIONAL TEST & EVAL, DEFENSE	**178,994**	**0**	**178,994**
		UNDISTRIBUTED			
		UNDISTRIBUTED			
99	999999	UNDISTRIBUTED	0	4,000	4,000
		Cyber pilot program for installations		[4,000]	
		SUBTOTAL UNDISTRIBUTED	**0**	**4,000**	**4,000**
		TOTAL UNDISTRIBUTED	**0**	**4,000**	**4,000**
		TOTAL RDT&E	**71,391,771**	**–164,579**	**71,227,192**

SEC. 4202. RESEARCH, DEVELOPMENT, TEST, AND EVALUATION FOR OVERSEAS CONTINGENCY OPERATIONS.

SEC. 4202. RESEARCH, DEVELOPMENT, TEST, AND EVALUATION FOR OVERSEAS CONTINGENCY OPERATIONS
(In Thousands of Dollars)

Line	Program Element	Item	FY 2017 Request	Senate Change	Senate Authorized
		RESEARCH, DEVELOPMENT, TEST & EVAL, ARMY			
		ADVANCED COMPONENT DEVELOPMENT & PROTOTYPES			
55	0603308A	ARMY SPACE SYSTEMS INTEGRATION	9,375		9,375
		SUBTOTAL ADVANCED COMPONENT DEVELOPMENT & PROTOTYPES	**9,375**	**0**	**9,375**
		SYSTEM DEVELOPMENT & DEMONSTRATION			
90	0604715A	NON-SYSTEM TRAINING DEVICES—ENG DEV	33		33
117	0605035A	COMMON INFRARED COUNTERMEASURES (CIRCM)	10,900		10,900
122	0605051A	AIRCRAFT SURVIVABILITY DEVELOPMENT	73,110		73,110
		SUBTOTAL SYSTEM DEVELOPMENT & DEMONSTRATION	**84,043**	**0**	**84,043**
		OPERATIONAL SYSTEMS DEVELOPMENT			
208	0307665A	BIOMETRICS ENABLED INTELLIGENCE	7,104		7,104
		SUBTOTAL OPERATIONAL SYSTEMS DEVELOPMENT	**7,104**	**0**	**7,104**
		TOTAL RESEARCH, DEVELOPMENT, TEST & EVAL, ARMY	**100,522**	**0**	**100,522**
		RESEARCH, DEVELOPMENT, TEST & EVAL, NAVY			
		ADVANCED COMPONENT DEVELOPMENT & PROTOTYPES			
38	0603527N	RETRACT LARCH	3,907		3,907
78	0604272N	TACTICAL AIR DIRECTIONAL INFRARED COUNTERMEASURES (TADIRCM)	37,990		37,990
		SUBTOTAL ADVANCED COMPONENT DEVELOPMENT & PROTOTYPES	**41,897**	**0**	**41,897**
		OPERATIONAL SYSTEMS DEVELOPMENT			

80	9999999999	CLASSIFIED PROGRAMS	36,426		36,426
		SUBTOTAL OPERATIONAL SYSTEMS DEVELOPMENT	**36,426**	**0**	**36,426**
		TOTAL RESEARCH, DEVELOPMENT, TEST & EVAL, NAVY	**78,323**	**0**	**78,323**
		RESEARCH, DEVELOPMENT, TEST & EVAL, AF			
		SYSTEM DEVELOPMENT & DEMONSTRATION			
58	0604421F	COUNTERSPACE SYSTEMS	425		425
		SUBTOTAL SYSTEM DEVELOPMENT & DEMONSTRATION	**425**	**0**	**425**
		OPERATIONAL SYSTEMS DEVELOPMENT			
200	0305174F	SPACE INNOVATION, INTEGRATION AND RAPID TECHNOLOGY DEVELOPMENT	4,715		4,715
220	9999999999	CLASSIFIED PROGRAMS	27,765		27,765
		SUBTOTAL OPERATIONAL SYSTEMS DEVELOPMENT	**32,480**	**0**	**32,480**
		TOTAL RESEARCH, DEVELOPMENT, TEST & EVAL, AF	**32,905**	**0**	**32,905**
		RESEARCH, DEVELOPMENT, TEST & EVAL, DW			
		OPERATIONAL SYSTEM DEVELOPMENT			
250	9999999999	CLASSIFIED PROGRAMS	162,419		162,419
		SUBTOTAL OPERATIONAL SYSTEM DEVELOPMENT	**162,419**	**0**	**162,419**
		TOTAL RESEARCH, DEVELOPMENT, TEST & EVAL, DW	**162,419**	**0**	**162,419**
		TOTAL RDT&E	**374,169**	**0**	**374,169**

TITLE XLIII—OPERATION AND MAINTENANCE

TITLE XLIII—OPERATION AND MAINTENANCE

SEC. 4301. OPERATION AND MAINTENANCE.

SEC. 4301. OPERATION AND MAINTENANCE
(In Thousands of Dollars)

Line	Item	FY 2017 Request	Senate Change	Senate Authorized
	OPERATION & MAINTENANCE, ARMY			
	OPERATING FORCES			
010	MANEUVER UNITS	791,450	50,000	841,450
	Home station training unfunded requirement		[50,000]	
020	MODULAR SUPPORT BRIGADES	68,373		68,373
030	ECHELONS ABOVE BRIGADE	438,823		438,823
040	THEATER LEVEL ASSETS	660,258		660,258
050	LAND FORCES OPERATIONS SUPPORT	863,928		863,928
060	AVIATION ASSETS	1,360,597	68,000	1,428,597
	Flying hour program unfunded requirement		[68,000]	
070	FORCE READINESS OPERATIONS SUPPORT	3,086,443		3,086,443
080	LAND FORCES SYSTEMS READINESS	439,488		439,488
090	LAND FORCES DEPOT MAINTENANCE	1,013,452	19,400	1,032,852
	Depot maintenance unfunded requirement		[19,400]	
100	BASE OPERATIONS SUPPORT	7,816,343		7,816,343
110	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	2,234,546	354,400	2,588,946
	FSRM unfunded requirement		[354,400]	
120	MANAGEMENT AND OPERATIONAL HEADQUARTERS	452,105		452,105
130	COMBATANT COMMANDERS CORE OPERATIONS	155,658		155,658
170	COMBATANT COMMANDS DIRECT MISSION SUPPORT	441,143	6,700	447,843
	SOUTHCOM LIDAR unfunded requirement		[6,700]	

	SUBTOTAL OPERATING FORCES	**19,822,607**	**498,500**	**20,321,107**
	MOBILIZATION			
180	STRATEGIC MOBILITY	336,329	25,000	361,329
	Army prepositioned stock unfunded requirement		[25,000]	
190	ARMY PREPOSITIONED STOCKS	390,848		390,848
200	INDUSTRIAL PREPAREDNESS	7,401		7,401
	SUBTOTAL MOBILIZATION	**734,578**	**25,000**	**759,578**
	TRAINING AND RECRUITING			
210	OFFICER ACQUISITION	131,942		131,942
220	RECRUIT TRAINING	47,846		47,846
230	ONE STATION UNIT TRAINING	45,419		45,419
240	SENIOR RESERVE OFFICERS TRAINING CORPS	482,747		482,747
250	SPECIALIZED SKILL TRAINING	921,025		921,025
260	FLIGHT TRAINING	902,845	36,600	939,445
	Graduate pilot training unfunded requirement		[5,400]	
	School Air OPTEMPO unfunded requirement		[31,200]	
270	PROFESSIONAL DEVELOPMENT EDUCATION	216,583		216,583
280	TRAINING SUPPORT	607,534		607,534
290	RECRUITING AND ADVERTISING	550,599	–35,000	515,599
	Advertising reduction		[–35,000]	
300	EXAMINING	187,263		187,263
310	OFF-DUTY AND VOLUNTARY EDUCATION	189,556		189,556
320	CIVILIAN EDUCATION AND TRAINING	182,835		182,835
330	JUNIOR RESERVE OFFICER TRAINING CORPS	171,167		171,167
	SUBTOTAL TRAINING AND RECRUITING	**4,637,361**	**1,600**	**4,638,961**
	ADMIN & SRVWIDE ACTIVITIES			

SEC. 4301. OPERATION AND MAINTENANCE
(In Thousands of Dollars)

Line	Item	FY 2017 Request	Senate Change	Senate Authorized
350	SERVICEWIDE TRANSPORTATION	230,739		230,739
360	CENTRAL SUPPLY ACTIVITIES	850,060		850,060
370	LOGISTIC SUPPORT ACTIVITIES	778,757	4,000	782,757
	Corrosion oil assistance unfunded requirement		[4,000]	
380	AMMUNITION MANAGEMENT	370,010		370,010
390	ADMINISTRATION	451,556		451,556
400	SERVICEWIDE COMMUNICATIONS	1,888,123		1,888,123
410	MANPOWER MANAGEMENT	276,403		276,403
420	OTHER PERSONNEL SUPPORT	369,443		369,443
430	OTHER SERVICE SUPPORT	1,096,074	–29,500	1,066,574
	Army museum early to need		[–29,500]	
440	ARMY CLAIMS ACTIVITIES	207,800		207,800
450	REAL ESTATE MANAGEMENT	240,641		240,641
460	FINANCIAL MANAGEMENT AND AUDIT READINESS	250,612		250,612
470	INTERNATIONAL MILITARY HEADQUARTERS	416,587		416,587
480	MISC. SUPPORT OF OTHER NATIONS	36,666		36,666
500	CLASSIFIED PROGRAMS	1,151,023	6,000	1,157,023
	SOUTHCOM unfunded requirement		[6,000]	
	SUBTOTAL ADMIN & SRVWIDE ACTIVITIES	**8,614,494**	**–19,500**	**8,594,994**
	UNDISTRIBUTED			
901	UNDISTRIBUTED ARMY PRINTING	0	–34,300	–34,300
	15% printing reduction		[–34,300]	
906	UNDISTRIBUTED DCGS-A	0	–63,000	–63,000
	DCGS-A undistributed reduction		[–63,000]	
907	UNDISTRIBUTED FOREIGN CURRENCY	0	–59,180	–59,180

	Foreign currency gains		[–59,180]	
912	UNDISTRIBUTED FUEL	0	–123,300	–123,300
	Fuel cost savings		[–123,300]	
	SUBTOTAL UNDISTRIBUTED	**0**	**–279,780**	**–279,780**
	TOTAL OPERATION & MAINTENANCE, ARMY	**33,809,040**	**225,820**	**34,034,860**
	OPERATION & MAINTENANCE, ARMY RES			
	OPERATING FORCES			
010	MODULAR SUPPORT BRIGADES	11,435		11,435
020	ECHELONS ABOVE BRIGADE	491,772	46,000	537,772
	Home station training unfunded requirement		[20,000]	
	Lodging in kind unfunded requirement		[26,000]	
030	THEATER LEVEL ASSETS	116,163		116,163
040	LAND FORCES OPERATIONS SUPPORT	563,524		563,524
050	AVIATION ASSETS	91,162		91,162
060	FORCE READINESS OPERATIONS SUPPORT	347,459	300	347,759
	Range increase unfunded requirement		[300]	
070	LAND FORCES SYSTEMS READINESS	101,926		101,926
080	LAND FORCES DEPOT MAINTENANCE	56,219		56,219
090	BASE OPERATIONS SUPPORT	573,843		573,843
100	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	214,955	21,500	236,455
	FSRM unfunded requirement		[21,500]	
110	MANAGEMENT AND OPERATIONAL HEADQUARTERS	37,620		37,620
	SUBTOTAL OPERATING FORCES	**2,606,078**	**67,800**	**2,673,878**
	ADMIN & SRVWD ACTIVITIES			
120	SERVICEWIDE TRANSPORTATION	11,027		11,027
130	ADMINISTRATION	16,749		16,749
140	SERVICEWIDE COMMUNICATIONS	17,825		17,825

SEC. 4301. OPERATION AND MAINTENANCE
(In Thousands of Dollars)

Line	Item	FY 2017 Request	Senate Change	Senate Authorized
150	MANPOWER MANAGEMENT	6,177		6,177
160	RECRUITING AND ADVERTISING	54,475		54,475
	SUBTOTAL ADMIN & SRVWD ACTIVITIES	**106,253**	**0**	**106,253**
	TOTAL OPERATION & MAINTENANCE, ARMY RES	**2,712,331**	**67,800**	**2,780,131**
	OPERATION & MAINTENANCE, ARNG			
	OPERATING FORCES			
010	MANEUVER UNITS	708,251	70,000	778,251
	Home station training unfunded requirement		[70,000]	
020	MODULAR SUPPORT BRIGADES	197,251		197,251
030	ECHELONS ABOVE BRIGADE	792,271		792,271
040	THEATER LEVEL ASSETS	80,341		80,341
050	LAND FORCES OPERATIONS SUPPORT	37,138	2,400	39,538
	Range increase unfunded requirement		[2,400]	
060	AVIATION ASSETS	887,625		887,625
070	FORCE READINESS OPERATIONS SUPPORT	696,267		696,267
080	LAND FORCES SYSTEMS READINESS	61,240		61,240
090	LAND FORCES DEPOT MAINTENANCE	219,948	54,600	274,548
	Depot maintenance unfunded requirement		[42,300]	
	TWV depot maintenance unfunded requirement		[12,300]	
100	BASE OPERATIONS SUPPORT	1,040,012		1,040,012
110	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	676,715	32,100	708,815
	FSRM unfunded requirement		[32,100]	
120	MANAGEMENT AND OPERATIONAL HEADQUARTERS	1,021,144		1,021,144
	SUBTOTAL OPERATING FORCES	**6,418,203**	**159,100**	**6,577,303**

	ADMIN & SRVWD ACTIVITIES			
130	SERVICEWIDE TRANSPORTATION	6,396		6,396
140	ADMINISTRATION	68,528		68,528
150	SERVICEWIDE COMMUNICATIONS	76,524		76,524
160	MANPOWER MANAGEMENT	7,712		7,712
170	OTHER PERSONNEL SUPPORT	245,046	4,500	249,546
	Director of Psychological Health (DPH) Positions		[9,500]	
	Program decrease		[–5,000]	
180	REAL ESTATE MANAGEMENT	2,961		2,961
	SUBTOTAL ADMIN & SRVWD ACTIVITIES	**407,167**	**4,500**	**411,667**
	TOTAL OPERATION & MAINTENANCE, ARNG	**6,825,370**	**163,600**	**6,988,970**
	OPERATION & MAINTENANCE, NAVY			
	OPERATING FORCES			
010	MISSION AND OTHER FLIGHT OPERATIONS	4,094,765		4,094,765
020	FLEET AIR TRAINING	1,722,473		1,722,473
030	AVIATION TECHNICAL DATA & ENGINEERING SERVICES	52,670		52,670
040	AIR OPERATIONS AND SAFETY SUPPORT	97,584		97,584
050	AIR SYSTEMS SUPPORT	446,733		446,733
060	AIRCRAFT DEPOT MAINTENANCE	1,007,681	34,000	1,041,681
	AC Depot maintenance unfunded requirement		[34,000]	
070	AIRCRAFT DEPOT OPERATIONS SUPPORT	38,248		38,248
080	AVIATION LOGISTICS	564,720	21,400	586,120
	E–6B and F–35 sustainment unfunded requirement		[16,000]	
	MV–22 JPBL unfunded requirement		[5,400]	
090	MISSION AND OTHER SHIP OPERATIONS	3,513,083		3,513,083
100	SHIP OPERATIONS SUPPORT & TRAINING	743,765		743,765
110	SHIP DEPOT MAINTENANCE	5,168,273		5,168,273

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(In Thousands of Dollars)

Line	Item	FY 2017 Request	Senate Change	Senate Authorized
120	SHIP DEPOT OPERATIONS SUPPORT	1,575,578		1,575,578
130	COMBAT COMMUNICATIONS	558,727		558,727
140	ELECTRONIC WARFARE	105,680		105,680
150	SPACE SYSTEMS AND SURVEILLANCE	180,406		180,406
160	WARFARE TACTICS	470,032		470,032
170	OPERATIONAL METEOROLOGY AND OCEANOGRAPHY	346,703		346,703
180	COMBAT SUPPORT FORCES	1,158,688		1,158,688
190	EQUIPMENT MAINTENANCE	113,692		113,692
200	DEPOT OPERATIONS SUPPORT	2,509		2,509
210	COMBATANT COMMANDERS CORE OPERATIONS	91,019		91,019
220	COMBATANT COMMANDERS DIRECT MISSION SUPPORT	74,780		74,780
230	CRUISE MISSILE	106,030		106,030
240	FLEET BALLISTIC MISSILE	1,233,805		1,233,805
250	IN-SERVICE WEAPONS SYSTEMS SUPPORT	163,025		163,025
260	WEAPONS MAINTENANCE	553,269		553,269
270	OTHER WEAPON SYSTEMS SUPPORT	350,010		350,010
280	ENTERPRISE INFORMATION	790,685	–54,300	736,385
	Underexecution		[–54,300]	
290	SUSTAINMENT, RESTORATION AND MODERNIZATION	1,642,742	160,900	1,803,642
	FSRM unfunded requirement		[160,900]	
300	BASE OPERATING SUPPORT	4,206,136		4,206,136
	SUBTOTAL OPERATING FORCES	**31,173,511**	**162,000**	**31,335,511**
	MOBILIZATION			
310	SHIP PREPOSITIONING AND SURGE	893,517		893,517
320	READY RESERVE FORCE	274,524		274,524

330	AIRCRAFT ACTIVATIONS/INACTIVATIONS	6,727		6,727
340	SHIP ACTIVATIONS/INACTIVATIONS	288,154		288,154
350	EXPEDITIONARY HEALTH SERVICES SYSTEMS	95,720		95,720
360	INDUSTRIAL READINESS	2,109		2,109
370	COAST GUARD SUPPORT	21,114		21,114
	SUBTOTAL MOBILIZATION	**1,581,865**	**0**	**1,581,865**
	TRAINING AND RECRUITING			
380	OFFICER ACQUISITION	143,815		143,815
390	RECRUIT TRAINING	8,519		8,519
400	RESERVE OFFICERS TRAINING CORPS	143,445		143,445
410	SPECIALIZED SKILL TRAINING	699,214		699,214
420	FLIGHT TRAINING	5,310		5,310
430	PROFESSIONAL DEVELOPMENT EDUCATION	172,852		172,852
440	TRAINING SUPPORT	222,728		222,728
450	RECRUITING AND ADVERTISING	225,647		225,647
460	OFF-DUTY AND VOLUNTARY EDUCATION	130,569		130,569
470	CIVILIAN EDUCATION AND TRAINING	73,730		73,730
480	JUNIOR ROTC	50,400		50,400
	SUBTOTAL TRAINING AND RECRUITING	**1,876,229**	**0**	**1,876,229**
	ADMIN & SRVWD ACTIVITIES			
490	ADMINISTRATION	917,453		917,453
500	EXTERNAL RELATIONS	14,570		14,570
510	CIVILIAN MANPOWER AND PERSONNEL MANAGEMENT	124,070		124,070
520	MILITARY MANPOWER AND PERSONNEL MANAGEMENT	369,767		369,767
530	OTHER PERSONNEL SUPPORT	285,927	–4,000	281,927
	NHHC unjustified growth		[–4,000]	
540	SERVICEWIDE COMMUNICATIONS	319,908		319,908
570	SERVICEWIDE TRANSPORTATION	171,659		171,659

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(In Thousands of Dollars)

Line	Item	FY 2017 Request	Senate Change	Senate Authorized
580	ENVIRONMENTAL PROGRAMS	0	18,000	18,000
	Environmental program shortfall unfunded requirement		[18,000]	
590	PLANNING, ENGINEERING AND DESIGN	270,863		270,863
600	ACQUISITION AND PROGRAM MANAGEMENT	1,112,766		1,112,766
610	HULL, MECHANICAL AND ELECTRICAL SUPPORT	49,078		49,078
620	COMBAT/WEAPONS SYSTEMS	24,989		24,989
630	SPACE AND ELECTRONIC WARFARE SYSTEMS	72,966		72,966
640	NAVAL INVESTIGATIVE SERVICE	595,711		595,711
700	INTERNATIONAL HEADQUARTERS AND AGENCIES	4,809		4,809
800	CLASSIFIED PROGRAMS	517,440		517,440
	SUBTOTAL ADMIN & SRVWD ACTIVITIES	**4,851,976**	**14,000**	**4,865,976**
	UNDISTRIBUTED			
902	UNDISTRIBUTED NAVY PRINTING	0	–7,300	–7,300
	15% printing reduction		[–7,300]	
908	UNDISTRIBUTED FOREIGN CURRENCY	0	–14,610	–14,610
	Foreign currency gains		[–14,610]	
913	UNDISTRIBUTED FUEL	0	–238,380	–238,380
	Fuel cost savings		[–238,380]	
	SUBTOTAL UNDISTRIBUTED	**0**	**–260,290**	**–260,290**
	TOTAL OPERATION & MAINTENANCE, NAVY	**39,483,581**	**–84,290**	**39,399,291**
	OPERATION & MAINTENANCE, MARINE CORPS			
	OPERATING FORCES			

010	OPERATIONAL FORCES	674,613	63,700	738,313
	Enterprise network defense unfunded requirement		[5,700]	
	Exercise program unfunded requirement		[58,000]	
020	FIELD LOGISTICS	947,424	28,100	975,524
	Combat optics mods unfunded requirement		[13,300]	
	Critical/ no fail EOD unfunded requirement		[600]	
	Nano/VTOL unfunded requirement		[14,200]	
030	DEPOT MAINTENANCE	206,783	7,800	214,583
	Depot maintenance unfunded requirement		[7,800]	
040	MARITIME PREPOSITIONING	85,276		85,276
050	SUSTAINMENT, RESTORATION & MODERNIZATION	632,673	78,500	711,173
	Facility demolition unfunded requirement		[39,200]	
	FSRM unfunded requirement		[39,300]	
060	BASE OPERATING SUPPORT	2,136,626		2,136,626
	SUBTOTAL OPERATING FORCES	**4,683,395**	**178,100**	**4,861,495**
	TRAINING AND RECRUITING			
070	RECRUIT TRAINING	15,946		15,946
080	OFFICER ACQUISITION	935		935
090	SPECIALIZED SKILL TRAINING	99,305		99,305
100	PROFESSIONAL DEVELOPMENT EDUCATION	45,495		45,495
110	TRAINING SUPPORT	369,979		369,979
120	RECRUITING AND ADVERTISING	165,566		165,566
130	OFF-DUTY AND VOLUNTARY EDUCATION	35,133		35,133
140	JUNIOR ROTC	23,622		23,622
	SUBTOTAL TRAINING AND RECRUITING	**755,981**	**0**	**755,981**
	ADMIN & SRVWD ACTIVITIES			
150	SERVICEWIDE TRANSPORTATION	34,534		34,534
160	ADMINISTRATION	355,932		355,932

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Line	Item	FY 2017 Request	Senate Change	Senate Authorized
180	ACQUISITION AND PROGRAM MANAGEMENT	76,896		76,896
200	CLASSIFIED PROGRAMS	47,520		47,520
	SUBTOTAL ADMIN & SRVWD ACTIVITIES	**514,882**	**0**	**514,882**
	UNDISTRIBUTED			
903	UNDISTRIBUTED MARINE CORPS PRINTING	0	–14,300	–14,300
	15% printing reduction		[–14,300]	
909	UNDISTRIBUTED FOREIGN CURRENCY	0	–2,870	–2,870
	Foreign currency gains		[–2,870]	
914	UNDISTRIBUTED FUEL	0	–24,660	–24,660
	Fuel cost savings		[–24,660]	
	SUBTOTAL UNDISTRIBUTED	**0**	**–41,830**	**–41,830**
	TOTAL OPERATION & MAINTENANCE, MARINE CORPS	**5,954,258**	**136,270**	**6,090,528**
	OPERATION & MAINTENANCE, NAVY RES			
	OPERATING FORCES			
010	MISSION AND OTHER FLIGHT OPERATIONS	526,190		526,190
020	INTERMEDIATE MAINTENANCE	6,714		6,714
030	AIRCRAFT DEPOT MAINTENANCE	86,209		86,209
040	AIRCRAFT DEPOT OPERATIONS SUPPORT	389		389
050	AVIATION LOGISTICS	10,189		10,189
070	SHIP OPERATIONS SUPPORT & TRAINING	560		560
090	COMBAT COMMUNICATIONS	13,173		13,173
100	COMBAT SUPPORT FORCES	109,053		109,053

120	ENTERPRISE INFORMATION	27,226		27,226
130	SUSTAINMENT, RESTORATION AND MODERNIZATION	27,571	5,800	33,371
	FSRM unfunded requirement		[5,800]	
140	BASE OPERATING SUPPORT	99,166		99,166
	SUBTOTAL OPERATING FORCES	**906,440**	**5,800**	**912,240**
	ADMIN & SRVWD ACTIVITIES			
150	ADMINISTRATION	1,351		1,351
160	MILITARY MANPOWER AND PERSONNEL MANAGEMENT	13,251		13,251
170	SERVICEWIDE COMMUNICATIONS	3,445		3,445
180	ACQUISITION AND PROGRAM MANAGEMENT	3,169		3,169
	SUBTOTAL ADMIN & SRVWD ACTIVITIES	**21,216**	**0**	**21,216**
	TOTAL OPERATION & MAINTENANCE, NAVY RES	**927,656**	**5,800**	**933,456**
	OPERATION & MAINTENANCE, MC RESERVE			
	OPERATING FORCES			
010	OPERATING FORCES	94,154		94,154
020	DEPOT MAINTENANCE	18,594		18,594
030	SUSTAINMENT, RESTORATION AND MODERNIZATION	25,470	5,500	30,970
	FSRM unfunded requirement		[5,500]	
040	BASE OPERATING SUPPORT	111,550		111,550
	SUBTOTAL OPERATING FORCES	**249,768**	**5,500**	**255,268**
	ADMIN & SRVWD ACTIVITIES			
050	SERVICEWIDE TRANSPORTATION	902		902
060	ADMINISTRATION	11,130		11,130
070	RECRUITING AND ADVERTISING	8,833		8,833
	SUBTOTAL ADMIN & SRVWD ACTIVITIES	**20,865**	**0**	**20,865**

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(In Thousands of Dollars)

Line	Item	FY 2017 Request	Senate Change	Senate Authorized
	TOTAL OPERATION & MAINTENANCE, MC RESERVE	**270,633**	**5,500**	**276,133**
	OPERATION & MAINTENANCE, AIR FORCE			
	OPERATING FORCES			
010	PRIMARY COMBAT FORCES	3,294,124		3,294,124
020	COMBAT ENHANCEMENT FORCES	1,682,045	2,800	1,684,845
	HH–60 unfunded requirement		[2,800]	
030	AIR OPERATIONS TRAINING (OJT, MAINTAIN SKILLS)	1,730,757		1,730,757
040	DEPOT MAINTENANCE	7,042,988	150,400	7,193,388
	Weapon system sustainment unfunded requirement		[150,400]	
050	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	1,657,019		1,657,019
060	BASE SUPPORT	2,787,216		2,787,216
070	GLOBAL C3I AND EARLY WARNING	887,831		887,831
080	OTHER COMBAT OPS SPT PROGRAMS	1,070,178		1,070,178
100	LAUNCH FACILITIES	208,582		208,582
110	SPACE CONTROL SYSTEMS	362,250		362,250
120	COMBATANT COMMANDERS DIRECT MISSION SUPPORT	907,245		907,245
130	COMBATANT COMMANDERS CORE OPERATIONS	199,171		199,171
131	CLASSIFIED PROGRAMS	930,757		930,757
	SUBTOTAL OPERATING FORCES	**22,760,163**	**153,200**	**22,913,363**
	MOBILIZATION			
140	AIRLIFT OPERATIONS	1,703,059		1,703,059
150	MOBILIZATION PREPAREDNESS	138,899		138,899

160	DEPOT MAINTENANCE	1,553,439	66,400	1,619,839
	Weapon system sustainment unfunded requirement		[66,400]	
170	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	258,328		258,328
180	BASE SUPPORT	722,756		722,756
	SUBTOTAL MOBILIZATION	**4,376,481**	**66,400**	**4,442,881**
	TRAINING AND RECRUITING			
190	OFFICER ACQUISITION	120,886		120,886
200	RECRUIT TRAINING	23,782		23,782
210	RESERVE OFFICERS TRAINING CORPS (ROTC)	77,692		77,692
220	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	236,254	157,700	393,954
	FSRM unfunded requirement		[157,700]	
230	BASE SUPPORT	819,915		819,915
240	SPECIALIZED SKILL TRAINING	387,446		387,446
250	FLIGHT TRAINING	725,134		725,134
260	PROFESSIONAL DEVELOPMENT EDUCATION	264,213		264,213
270	TRAINING SUPPORT	86,681		86,681
280	DEPOT MAINTENANCE	305,004		305,004
290	RECRUITING AND ADVERTISING	104,754	–27,000	77,754
	Advertising unjustified growth		[–27,000]	
300	EXAMINING	3,944		3,944
310	OFF-DUTY AND VOLUNTARY EDUCATION	184,841		184,841
320	CIVILIAN EDUCATION AND TRAINING	173,583		173,583
330	JUNIOR ROTC	58,877		58,877
	SUBTOTAL TRAINING AND RECRUITING	**3,573,006**	**130,700**	**3,703,706**
	ADMIN & SRVWD ACTIVITIES			
340	LOGISTICS OPERATIONS	1,107,846		1,107,846
350	TECHNICAL SUPPORT ACTIVITIES	924,185		924,185
360	DEPOT MAINTENANCE	48,778		48,778

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Line	Item	FY 2017 Request	Senate Change	Senate Authorized
370	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	321,013		321,013
380	BASE SUPPORT	1,115,910		1,115,910
390	ADMINISTRATION	811,650		811,650
400	SERVICEWIDE COMMUNICATIONS	269,809		269,809
410	OTHER SERVICEWIDE ACTIVITIES	961,304		961,304
420	CIVIL AIR PATROL	25,735		25,735
450	INTERNATIONAL SUPPORT	90,573		90,573
460	CLASSIFIED PROGRAMS	1,131,603		1,131,603
	SUBTOTAL ADMIN & SRVWD ACTIVITIES	**6,808,406**	**0**	**6,808,406**
	UNDISTRIBUTED			
904	UNDISTRIBUTED AIR FORCE PRINTING	0	–8,900	–8,900
	15% printing reduction		[–8,900]	
910	UNDISTRIBUTED FOREIGN CURRENCY	0	–33,450	–33,450
	Foreign currency gains		[–33,450]	
915	UNDISTRIBUTED FUEL	0	–394,560	–394,560
	Fuel cost savings		[–394,560]	
	SUBTOTAL UNDISTRIBUTED	**0**	**–436,910**	**–436,910**
	TOTAL OPERATION & MAINTENANCE, AIR FORCE	**37,518,056**	**–86,610**	**37,431,446**
	OPERATION & MAINTENANCE, AF RESERVE			
	OPERATING FORCES			
010	PRIMARY COMBAT FORCES	1,707,882		1,707,882
020	MISSION SUPPORT OPERATIONS	230,016	29,000	259,016

	Lodging in kind unfunded requirement		[29,000]	
030	DEPOT MAINTENANCE	541,743		541,743
040	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	113,470	11,700	125,170
	FSRM unfunded requirement		[11,700]	
050	BASE SUPPORT	384,832		384,832
	SUBTOTAL OPERATING FORCES	**2,977,943**	**40,700**	**3,018,643**
	ADMINISTRATION AND SERVICEWIDE ACTIVITIES			
060	ADMINISTRATION	54,939		54,939
070	RECRUITING AND ADVERTISING	14,754		14,754
080	MILITARY MANPOWER AND PERS MGMT (ARPC)	12,707		12,707
090	OTHER PERS SUPPORT (DISABILITY COMP)	7,210		7,210
100	AUDIOVISUAL	376		376
	SUBTOTAL ADMINISTRATION AND SERVICEWIDE ACTIVITIES	**89,986**	**0**	**89,986**
	TOTAL OPERATION & MAINTENANCE, AF RESERVE	**3,067,929**	**40,700**	**3,108,629**
	OPERATION & MAINTENANCE, ANG			
	OPERATING FORCES			
010	AIRCRAFT OPERATIONS	3,282,238		3,282,238
020	MISSION SUPPORT OPERATIONS	723,062		723,062
030	DEPOT MAINTENANCE	1,824,329	43,200	1,867,529
	Weapon system sustainment engines unfunded requirement		[3,200]	
	Weapon system sustainment unfunded requirement		[40,000]	
040	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	245,840	14,000	259,840
	FSRM unfunded requirement		[14,000]	
050	BASE SUPPORT	575,548		575,548
	SUBTOTAL OPERATING FORCES	**6,651,017**	**57,200**	**6,708,217**

SEC. 4301. OPERATION AND MAINTENANCE
(In Thousands of Dollars)

Line	Item	FY 2017 Request	Senate Change	Senate Authorized
	ADMINISTRATION AND SERVICE-WIDE ACTIVITIES			
060	ADMINISTRATION	23,715		23,715
070	RECRUITING AND ADVERTISING	28,846		28,846
	SUBTOTAL ADMINISTRATION AND SERVICE-WIDE ACTIVITIES	**52,561**	**0**	**52,561**
	TOTAL OPERATION & MAINTENANCE, ANG	**6,703,578**	**57,200**	**6,760,778**
	OPERATION AND MAINTENANCE, DEFENSE-WIDE			
	OPERATING FORCES			
010	JOINT CHIEFS OF STAFF	506,113		506,113
020	OFFICE OF THE SECRETARY OF DEFENSE	524,439		524,439
030	SPECIAL OPERATIONS COMMAND/OPERATING FORCES	4,898,159	–45,300	4,852,859
	Unjustified growth in total civilian compensation		[–45,300]	
	SUBTOTAL OPERATING FORCES	**5,928,711**	**–45,300**	**5,883,411**
	TRAINING AND RECRUITING			
040	DEFENSE ACQUISITION UNIVERSITY	138,658		138,658
050	JOINT CHIEFS OF STAFF	85,701	10,000	95,701
	Model alternative design of reconnaissance strike group		[10,000]	
070	SPECIAL OPERATIONS COMMAND/TRAINING AND RECRUITING	365,349		365,349
	SUBTOTAL TRAINING AND RECRUITING	**589,708**	**10,000**	**599,708**
	ADMINISTRATION AND SERVICEWIDE ACTIVITIES			
080	CIVIL MILITARY PROGRAMS	160,480	25,000	185,480

	Starbase		[25,000]	
100	DEFENSE CONTRACT AUDIT AGENCY	630,925		630,925
110	DEFENSE CONTRACT MANAGEMENT AGENCY	1,356,380		1,356,380
120	DEFENSE HUMAN RESOURCES ACTIVITY	683,620		683,620
130	DEFENSE INFORMATION SYSTEMS AGENCY	1,439,891		1,439,891
150	DEFENSE LEGAL SERVICES AGENCY	24,984		24,984
160	DEFENSE LOGISTICS AGENCY	357,964	–5,800	352,164
	Price Comparability Office unjustified growth		[–5,800]	
170	DEFENSE MEDIA ACTIVITY	223,422		223,422
180	DEFENSE PERSONNEL ACCOUNTING AGENCY	112,681		112,681
190	DEFENSE SECURITY COOPERATION AGENCY	496,754	–414,800	81,954
	Transfer Combatting Terrorism Fellowship to to Security Cooperation Enhancement Fund		[–26,800]	
	Transfer Defense Institute of International Legal Studies to Security Cooperation Enhancement Fund		[–2,600]	
	Transfer Defense Institution Reform Initiative to to Security Cooperation Enhancement Fund		[–25,600]	
	Transfer Global Train and Equip to Security Cooperation Enhancement Fund		[–270,200]	
	Transfer Ministry of Defense Advisors to to Security Cooperation Enhancement Fund		[–9,200]	
	Transfer Regional Centers to Security Cooperation Enhancement Fund		[–58,600]	
	Transfer Wales initaitive Fund/Partnership for Peace to Security Cooperation Enhancement Fund		[–21,800]	
200	DEFENSE SECURITY SERVICE	538,711		538,711
230	DEFENSE TECHNOLOGY SECURITY ADMINISTRATION	35,417		35,417
240	DEFENSE THREAT REDUCTION AGENCY	448,146		448,146
260	DEPARTMENT OF DEFENSE EDUCATION ACTIVITY	2,671,143	30,000	2,701,143
	Impact Aid		[25,000]	
	Impact Aid severe disabilities		[5,000]	
270	MISSILE DEFENSE AGENCY	446,975		446,975
290	OFFICE OF ECONOMIC ADJUSTMENT	155,399	–32,200	123,199
	Guam public health lab		[–32,200]	
300	OFFICE OF THE SECRETARY OF DEFENSE	1,481,643	21,000	1,502,643
	Cuts for BRAC planning		[–4,000]	
	DOD rewards early to need		[–5,000]	
	Secretary of Defense Delivery Unit		[30,000]	
310	SPECIAL OPERATIONS COMMAND/ADMIN & SVC-WIDE ACTIVITIES	89,429		89,429

SEC. 4301. OPERATION AND MAINTENANCE
(In Thousands of Dollars)

Line	Item	FY 2017 Request	Senate Change	Senate Authorized
320	WASHINGTON HEADQUARTERS SERVICES	629,874		629,874
330	CLASSIFIED PROGRAMS	14,069,333	–15,300	14,054,033
	Reduction to NSA Information Systems and Security Program (4GT4)		[–27,000]	
	Sharkseer email protection		[11,700]	
	SUBTOTAL ADMINISTRATION AND SERVICEWIDE ACTIVITIES	**26,053,171**	**–392,100**	**25,661,071**
	UNDISTRIBUTED			
905	UNDISTRIBUTED TO DEFENSE-WIDE	0	–1,400	–1,400
	15% printing reduction		[–1,400]	
911	UNDISTRIBUTED FOREIGN CURRENCY	0	–10,580	–10,580
	Foreign currency gains		[–10,580]	
916	UNDISTRIBUTED FUEL	0	–41,100	–41,100
	Fuel cost savings		[–41,100]	
	SUBTOTAL UNDISTRIBUTED	**0**	**–53,080**	**–53,080**
	TOTAL OPERATION AND MAINTENANCE, DEFENSE-WIDE	**32,571,590**	**–480,480**	**32,091,110**
	MISCELLANEOUS APPROPRIATIONS			
	US COURT OF APPEALS FOR ARMED FORCES, DEF			
4GTT	US COURT OF APPEALS FOR THE ARMED FORCES, DEFENSE	14,194		14,194
	SUBTOTAL US COURT OF APPEALS FOR ARMED FORCES, DEF	**14,194**	**0**	**14,194**
	OVERSEAS HUMANITARIAN, DISASTER, AND CIVIC AID			
4GTD	OVERSEAS HUMANITARIAN, DISASTER AND CIVIC AID	105,125		105,125

	SUBTOTAL OVERSEAS HUMANITARIAN, DISASTER, AND CIVIC AID	**105,125**	**0**	**105,125**
	COOPERATIVE THREAT REDUCTION ACCOUNT			
1PL3	FORMER SOVIET UNION (FSU) THREAT REDUCTION	325,604		325,604
	SUBTOTAL COOPERATIVE THREAT REDUCTION ACCOUNT	**325,604**	**0**	**325,604**
	ENVIRONMENTAL RESTORATION, ARMY			
493	ENVIRONMENTAL RESTORATION, ARMY	170,167		170,167
	SUBTOTAL ENVIRONMENTAL RESTORATION, ARMY	**170,167**	**0**	**170,167**
	ENVIRONMENTAL RESTORATION, NAVY			
044G	ENVIRONMENTAL RESTORATION, NAVY	281,762		281,762
	SUBTOTAL ENVIRONMENTAL RESTORATION, NAVY	**281,762**	**0**	**281,762**
	ENVIRONMENTAL RESTORATION, AIR FORCE			
042G	ENVIRONMENTAL RESTORATION, AIR FORCE	371,521		371,521
	SUBTOTAL ENVIRONMENTAL RESTORATION, AIR FORCE	**371,521**	**0**	**371,521**
	ENVIRONMENTAL RESTORATION, DEFENSE			
045G	ENVIRONMENTAL RESTORATION, DEFENSE	9,009		9,009
	SUBTOTAL ENVIRONMENTAL RESTORATION, DEFENSE	**9,009**	**0**	**9,009**
	ENVIRONMENTAL RESTORATION FORMERLY USED SITES			
047G	ENVIRONMENTAL RESTORATION FORMERLY USED SITES	197,084		197,084
	SUBTOTAL ENVIRONMENTAL RESTORATION FORMERLY USED SITES	**197,084**	**0**	**197,084**

SEC. 4301. OPERATION AND MAINTENANCE
(In Thousands of Dollars)

Line	Item	FY 2017 Request	Senate Change	Senate Authorized
	TOTAL MISCELLANEOUS APPROPRIATIONS	**1,474,466**	**0**	**1,474,466**
	UNDISTRIBUTED			
	UNDISTRIBUTED			
999	UNDISTRIBUTED	0	20,000	20,000
	Commission on Military, National, and Public Service		[15,000]	
	Temporary Duty Assignment Per Diem Rate Waiver		[5,000]	
	SUBTOTAL UNDISTRIBUTED	**0**	**20,000**	**20,000**
	TOTAL UNDISTRIBUTED	**0**	**20,000**	**20,000**
	TOTAL OPERATION & MAINTENANCE	**171,318,488**	**71,310**	**171,389,798**

SEC. 4302. OPERATION AND MAINTENANCE FOR OVERSEAS CONTINGENCY OPERATIONS.

SEC. 4302. OPERATION AND MAINTENANCE FOR OVERSEAS CONTINGENCY OPERATIONS
(In Thousands of Dollars)

Line	Item	FY 2017 Request	Senate Change	Senate Authorized
	OPERATION & MAINTENANCE, ARMY			
	OPERATING FORCES			
010	MANEUVER UNITS	723,945		723,945
020	MODULAR SUPPORT BRIGADES	5,904		5,904
030	ECHELONS ABOVE BRIGADE	38,614		38,614
040	THEATER LEVEL ASSETS	1,651,817		1,651,817
050	LAND FORCES OPERATIONS SUPPORT	835,138		835,138
060	AVIATION ASSETS	165,044		165,044
070	FORCE READINESS OPERATIONS SUPPORT	1,756,378		1,756,378
080	LAND FORCES SYSTEMS READINESS	348,174		348,174
090	LAND FORCES DEPOT MAINTENANCE	350,000		350,000
100	BASE OPERATIONS SUPPORT	40,000		40,000
140	ADDITIONAL ACTIVITIES	5,990,878		5,990,878
150	COMMANDERS EMERGENCY RESPONSE PROGRAM	5,000		5,000
160	RESET	1,092,542		1,092,542
170	COMBATANT COMMANDS DIRECT MISSION SUPPORT	79,568		79,568
	SUBTOTAL OPERATING FORCES	**13,083,002**	**0**	**13,083,002**
	MOBILIZATION			
190	ARMY PREPOSITIONED STOCKS	350,200		350,200
	SUBTOTAL MOBILIZATION	**350,200**	**0**	**350,200**

SEC. 4302. OPERATION AND MAINTENANCE FOR OVERSEAS CONTINGENCY OPERATIONS
(In Thousands of Dollars)

Line	Item	FY 2017 Request	Senate Change	Senate Authorized
	TRAINING AND RECRUITING			
250	SPECIALIZED SKILL TRAINING	3,565		3,565
270	PROFESSIONAL DEVELOPMENT EDUCATION	9,021		9,021
280	TRAINING SUPPORT	2,434		2,434
320	CIVILIAN EDUCATION AND TRAINING	1,254		1,254
	SUBTOTAL TRAINING AND RECRUITING	**16,274**	**0**	**16,274**
	ADMIN & SRVWIDE ACTIVITIES			
350	SERVICEWIDE TRANSPORTATION	740,400		740,400
380	AMMUNITION MANAGEMENT	13,974		13,974
420	OTHER PERSONNEL SUPPORT	105,508		105,508
450	REAL ESTATE MANAGEMENT	165,678		165,678
460	CLASSIFIED PROGRAMS	835,551		835,551
	SUBTOTAL ADMIN & SRVWIDE ACTIVITIES	**1,861,111**	**0**	**1,861,111**
	TOTAL OPERATION & MAINTENANCE, ARMY	**15,310,587**	**0**	**15,310,587**
	OPERATION & MAINTENANCE, ARMY RES			
	OPERATING FORCES			
010	MODULAR SUPPORT BRIGADES	708		708
020	ECHELONS ABOVE BRIGADE	14,822		14,822
030	THEATER LEVEL ASSETS	375		375
040	LAND FORCES OPERATIONS SUPPORT	2,088		2,088
050	AVIATION ASSETS	608		608
060	FORCE READINESS OPERATIONS SUPPORT	5,425		5,425

090	BASE OPERATIONS SUPPORT	14,653		14,653
	SUBTOTAL OPERATING FORCES	**38,679**	**0**	**38,679**
	TOTAL OPERATION & MAINTENANCE, ARMY RES	**38,679**	**0**	**38,679**
	OPERATION & MAINTENANCE, ARNG			
	OPERATING FORCES			
010	MANEUVER UNITS	16,149		16,149
020	MODULAR SUPPORT BRIGADES	748		748
030	ECHELONS ABOVE BRIGADE	34,707		34,707
040	THEATER LEVEL ASSETS	10,472		10,472
060	AVIATION ASSETS	32,804		32,804
070	FORCE READINESS OPERATIONS SUPPORT	12,435		12,435
100	BASE OPERATIONS SUPPORT	18,800		18,800
120	MANAGEMENT AND OPERATIONAL HEADQUARTERS	920		920
	SUBTOTAL OPERATING FORCES	**127,035**	**0**	**127,035**
	TOTAL OPERATION & MAINTENANCE, ARNG	**127,035**	**0**	**127,035**
	AFGHANISTAN SECURITY FORCES FUND			
	MINISTRY OF DEFENSE			
010	SUSTAINMENT	2,173,341		2,173,341
020	INFRASTRUCTURE	48,262		48,262
030	EQUIPMENT AND TRANSPORTATION	76,216		76,216
040	TRAINING AND OPERATIONS	220,139		220,139
	SUBTOTAL MINISTRY OF DEFENSE	**2,517,958**	**0**	**2,517,958**
	MINISTRY OF INTERIOR			
050	SUSTAINMENT	860,441		860,441

SEC. 4302. OPERATION AND MAINTENANCE FOR OVERSEAS CONTINGENCY OPERATIONS
(In Thousands of Dollars)

Line	Item	FY 2017 Request	Senate Change	Senate Authorized
060	INFRASTRUCTURE	20,837		20,837
070	EQUIPMENT AND TRANSPORTATION	8,153		8,153
080	TRAINING AND OPERATIONS	41,326		41,326
	SUBTOTAL MINISTRY OF INTERIOR	**930,757**	**0**	**930,757**
	TOTAL AFGHANISTAN SECURITY FORCES FUND	**3,448,715**	**0**	**3,448,715**
	COUNTER ISLAMIC STATE IN IRAQ AND THE LEVANT FUND			
	COUNTER ISLAMIC STATE IN IRAQ AND THE LEVANT FUND			
010	COUNTER ISLAMIC STATE IN IRAQ AND THE LEVANT FUND	630,000	630,000	1,260,000
	Transfer from Coalition Support Fund		[180,000]	
	Transfer from Counterterrorism Partnership Fund		[200,000]	
	Transfer from Syria Train and Equip		[250,000]	
	SUBTOTAL COUNTER ISLAMIC STATE IN IRAQ AND THE LEVANT FUND	**630,000**	**630,000**	**1,260,000**
	TOTAL COUNTER ISLAMIC STATE IN IRAQ AND THE LEVANT FUND	**630,000**	**630,000**	**1,260,000**
	SYRIA TRAIN AND EQUIP FUND			
	SYRIA TRAIN AND EQUIP FUND			
010	SYRIA TRAIN AND EQUIP FUND	250,000	–250,000	0
	Transfer to Counter Islamic State in Iraq and the Levant Fund (former Iraq Train and Equip)		[–250,000]	
	SUBTOTAL SYRIA TRAIN AND EQUIP FUND	**250,000**	**–250,000**	**0**
	TOTAL SYRIA TRAIN AND EQUIP FUND	**250,000**	**–250,000**	**0**

	OPERATION & MAINTENANCE, NAVY			
	OPERATING FORCES			
010	MISSION AND OTHER FLIGHT OPERATIONS	860,621		860,621
040	AIR OPERATIONS AND SAFETY SUPPORT	4,603		4,603
050	AIR SYSTEMS SUPPORT	159,049		159,049
060	AIRCRAFT DEPOT MAINTENANCE	113,994		113,994
070	AIRCRAFT DEPOT OPERATIONS SUPPORT	1,840		1,840
080	AVIATION LOGISTICS	35,529		35,529
090	MISSION AND OTHER SHIP OPERATIONS	1,073,080		1,073,080
100	SHIP OPERATIONS SUPPORT & TRAINING	17,306		17,306
110	SHIP DEPOT MAINTENANCE	2,903,431		2,903,431
130	COMBAT COMMUNICATIONS	21,257		21,257
160	WARFARE TACTICS	22,603		22,603
170	OPERATIONAL METEOROLOGY AND OCEANOGRAPHY	22,934		22,934
180	COMBAT SUPPORT FORCES	568,511		568,511
190	EQUIPMENT MAINTENANCE	11,358		11,358
250	IN-SERVICE WEAPONS SYSTEMS SUPPORT	61,000		61,000
260	WEAPONS MAINTENANCE	289,045		289,045
270	OTHER WEAPON SYSTEMS SUPPORT	8,000		8,000
290	SUSTAINMENT, RESTORATION AND MODERNIZATION	27,089		27,089
300	BASE OPERATING SUPPORT	219,525		219,525
	SUBTOTAL OPERATING FORCES	**6,420,775**	**0**	**6,420,775**
	MOBILIZATION			
330	AIRCRAFT ACTIVATIONS/INACTIVATIONS	1,530		1,530
350	EXPEDITIONARY HEALTH SERVICES SYSTEMS	8,904		8,904
370	COAST GUARD SUPPORT	162,692		162,692
	SUBTOTAL MOBILIZATION	**173,126**	**0**	**173,126**

SEC. 4302. OPERATION AND MAINTENANCE FOR OVERSEAS CONTINGENCY OPERATIONS
(In Thousands of Dollars)

Line	Item	FY 2017 Request	Senate Change	Senate Authorized
	TRAINING AND RECRUITING			
410	SPECIALIZED SKILL TRAINING	43,365		43,365
	SUBTOTAL TRAINING AND RECRUITING	**43,365**	**0**	**43,365**
	ADMIN & SRVWD ACTIVITIES			
490	ADMINISTRATION	3,764		3,764
500	EXTERNAL RELATIONS	515		515
520	MILITARY MANPOWER AND PERSONNEL MANAGEMENT	5,409		5,409
530	OTHER PERSONNEL SUPPORT	1,578		1,578
540	SERVICEWIDE COMMUNICATIONS	25,617		25,617
570	SERVICEWIDE TRANSPORTATION	126,700		126,700
600	ACQUISITION AND PROGRAM MANAGEMENT	9,261		9,261
640	NAVAL INVESTIGATIVE SERVICE	1,501		1,501
650	CLASSIFIED PROGRAMS	15,780		15,780
	SUBTOTAL ADMIN & SRVWD ACTIVITIES	**190,125**	**0**	**190,125**
	TOTAL OPERATION & MAINTENANCE, NAVY	**6,827,391**	**0**	**6,827,391**
	OPERATION & MAINTENANCE, MARINE CORPS			
	OPERATING FORCES			
010	OPERATIONAL FORCES	703,489		703,489
020	FIELD LOGISTICS	266,094		266,094
030	DEPOT MAINTENANCE	147,000		147,000
060	BASE OPERATING SUPPORT	18,576		18,576
	SUBTOTAL OPERATING FORCES	**1,135,159**	**0**	**1,135,159**

	TRAINING AND RECRUITING			
110	TRAINING SUPPORT	31,750		31,750
	SUBTOTAL TRAINING AND RECRUITING	**31,750**	**0**	**31,750**
	ADMIN & SRVWD ACTIVITIES			
150	SERVICEWIDE TRANSPORTATION	73,800		73,800
160	CLASSIFIED PROGRAMS	3,650		3,650
	SUBTOTAL ADMIN & SRVWD ACTIVITIES	**77,450**	**0**	**77,450**
	TOTAL OPERATION & MAINTENANCE, MARINE CORPS	**1,244,359**	**0**	**1,244,359**
	OPERATION & MAINTENANCE, NAVY RES			
	OPERATING FORCES			
030	AIRCRAFT DEPOT MAINTENANCE	16,500		16,500
050	AVIATION LOGISTICS	2,522		2,522
100	COMBAT SUPPORT FORCES	7,243		7,243
	SUBTOTAL OPERATING FORCES	**26,265**	**0**	**26,265**
	TOTAL OPERATION & MAINTENANCE, NAVY RES	**26,265**	**0**	**26,265**
	OPERATION & MAINTENANCE, MC RESERVE			
	OPERATING FORCES			
010	OPERATING FORCES	2,500		2,500
040	BASE OPERATING SUPPORT	804		804
	SUBTOTAL OPERATING FORCES	**3,304**	**0**	**3,304**
	TOTAL OPERATION & MAINTENANCE, MC RESERVE	**3,304**	**0**	**3,304**

SEC. 4302. OPERATION AND MAINTENANCE FOR OVERSEAS CONTINGENCY OPERATIONS
(In Thousands of Dollars)

Line	Item	FY 2017 Request	Senate Change	Senate Authorized
	OPERATION & MAINTENANCE, AIR FORCE			
	OPERATING FORCES			
010	PRIMARY COMBAT FORCES	1,339,461	28,000	1,367,461
	ERI nuclear readiness		[28,000]	
020	COMBAT ENHANCEMENT FORCES	1,096,021		1,096,021
030	AIR OPERATIONS TRAINING (OJT, MAINTAIN SKILLS)	152,278		152,278
040	DEPOT MAINTENANCE	1,185,506		1,185,506
050	FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION	56,700		56,700
060	BASE SUPPORT	941,714		941,714
070	GLOBAL C3I AND EARLY WARNING	30,219		30,219
080	OTHER COMBAT OPS SPT PROGRAMS	207,696		207,696
100	LAUNCH FACILITIES	869		869
110	SPACE CONTROL SYSTEMS	5,008		5,008
120	COMBATANT COMMANDERS DIRECT MISSION SUPPORT	100,081		100,081
130	CLASSIFIED PROGRAMS	79,893		79,893
	SUBTOTAL OPERATING FORCES	**5,195,446**	**28,000**	**5,223,446**
	MOBILIZATION			
140	AIRLIFT OPERATIONS	2,774,729		2,774,729
150	MOBILIZATION PREPAREDNESS	108,163		108,163
160	DEPOT MAINTENANCE	891,102		891,102
180	BASE SUPPORT	3,686		3,686
	SUBTOTAL MOBILIZATION	**3,777,680**	**0**	**3,777,680**

	TRAINING AND RECRUITING			
230	BASE SUPPORT	52,740		52,740
240	SPECIALIZED SKILL TRAINING	4,500		4,500
	SUBTOTAL TRAINING AND RECRUITING	**57,240**	**0**	**57,240**
	ADMIN & SRVWD ACTIVITIES			
340	LOGISTICS OPERATIONS	86,716		86,716
380	BASE SUPPORT	59,133		59,133
400	SERVICEWIDE COMMUNICATIONS	165,348		165,348
410	OTHER SERVICEWIDE ACTIVITIES	141,883	–25,100	116,783
	Program reduction		[–25,100]	
450	INTERNATIONAL SUPPORT	61		61
460	CLASSIFIED PROGRAMS	15,323		15,323
	SUBTOTAL ADMIN & SRVWD ACTIVITIES	**468,464**	**–25,100**	**443,364**
	TOTAL OPERATION & MAINTENANCE, AIR FORCE	**9,498,830**	**2,900**	**9,501,730**
	OPERATION & MAINTENANCE, AF RESERVE			
	OPERATING FORCES			
030	DEPOT MAINTENANCE	51,086		51,086
050	BASE SUPPORT	6,500		6,500
	SUBTOTAL OPERATING FORCES	**57,586**	**0**	**57,586**
	TOTAL OPERATION & MAINTENANCE, AF RESERVE	**57,586**	**0**	**57,586**
	OPERATION & MAINTENANCE, ANG			
	OPERATING FORCES			
020	MISSION SUPPORT OPERATIONS	3,400		3,400

SEC. 4302. OPERATION AND MAINTENANCE FOR OVERSEAS CONTINGENCY OPERATIONS
(In Thousands of Dollars)

Line	Item	FY 2017 Request	Senate Change	Senate Authorized
050	BASE SUPPORT	16,600		16,600
	SUBTOTAL OPERATING FORCES	**20,000**	**0**	**20,000**
	TOTAL OPERATION & MAINTENANCE, ANG	**20,000**	**0**	**20,000**
	OPERATION AND MAINTENANCE, DEFENSE-WIDE			
	OPERATING FORCES			
030	SPECIAL OPERATIONS COMMAND/OPERATING FORCES	2,650,651		2,650,651
	SUBTOTAL OPERATING FORCES	**2,650,651**	**0**	**2,650,651**
	ADMINISTRATION AND SERVICEWIDE ACTIVITIES			
100	DEFENSE CONTRACT AUDIT AGENCY	13,436		13,436
110	DEFENSE CONTRACT MANAGEMENT AGENCY	13,564		13,564
130	DEFENSE INFORMATION SYSTEMS AGENCY	47,579		47,579
150	DEFENSE LEGAL SERVICES AGENCY	111,986		111,986
170	DEFENSE MEDIA ACTIVITY	13,317		13,317
190	DEFENSE SECURITY COOPERATION AGENCY	1,412,000	–1,100,000	312,000
	Reduction to Coalition Support Funds		[–100,000]	
	Transfer to Counter Islamic State in Iraq and the Levant Fund (former Iraq Train and Equip)		[–180,000]	
	Transfer to Security Cooperation Enhancement Fund		[–820,000]	
260	DEPARTMENT OF DEFENSE EDUCATION ACTIVITY	67,000		67,000
300	OFFICE OF THE SECRETARY OF DEFENSE	31,106		31,106
320	WASHINGTON HEADQUARTERS SERVICES	3,137		3,137
330	CLASSIFIED PROGRAMS	1,618,397		1,618,397
	SUBTOTAL ADMINISTRATION AND SERVICEWIDE ACTIVITIES	**3,331,522**	**–1,100,000**	**2,231,522**

	TOTAL OPERATION AND MAINTENANCE, DEFENSE-WIDE	**5,982,173**	**–1,100,000**	**4,882,173**
	UKRAINE SECURITY ASSISTANCE INITIATIVE			
	UKRAINE SECURITY ASSISTANCE INITIATIVE			
888	UKRAINE SECURITY ASSISTANCE INITIATIVE	0	350,000	350,000
	Ukraine Security Assistance Initiative		[350,000]	
	SUBTOTAL UKRAINE SECURITY ASSISTANCE INITIATIVE	**0**	**350,000**	**350,000**
	TOTAL UKRAINE SECURITY ASSISTANCE INITIATIVE	**0**	**350,000**	**350,000**
	TOTAL OPERATION & MAINTENANCE	**43,464,924**	**–367,100**	**43,097,824**

TITLE XLIV—MILITARY PERSONNEL

TITLE XLIV—MILITARY PERSONNEL

SEC. 4401. MILITARY PERSONNEL.

SEC. 4401. MILITARY PERSONNEL
(In Thousands of Dollars)

Item	FY 2017 Request	Senate Change	Senate Authorized
MILITARY PERSONNEL			
MILITARY PERSONNEL APPROPRIATIONS			
MILITARY PERSONNEL APPROPRIATIONS	128,902,332	–1,250,890	127,651,442
Defense Officer Personnel Management Act reforms		[100,000]	
Foreign currency gains		[–72,940]	
Military Personnel underexecution		[–880,450]	
Non-adoption of Air Force Pilot Bonus Increase		[–2,500]	
Non-adoption of DOD retirement reforms		[–400,000]	
Rural Guard Act		[5,000]	
SUBTOTAL MILITARY PERSONNEL APPROPRIATIONS	**128,902,332**	**–1,250,890**	**127,651,442**
MEDICARE-ELIGIBLE RETIREE HEALTH FUND CONTRIBUTIONS			
MEDICARE-ELIGIBLE RETIREE HEALTH FUND CONTRIBUTIONS	6,366,908		6,366,908
SUBTOTAL MEDICARE-ELIGIBLE RETIREE HEALTH FUND CONTRIBUTIONS	**6,366,908**	**0**	**6,366,908**
TOTAL MILITARY PERSONNEL	**135,269,240**	**–1,250,890**	**134,018,350**

SEC. 4402. MILITARY PERSONNEL FOR OVERSEAS CONTINGENCY OPERATIONS.

SEC. 4402. MILITARY PERSONNEL FOR OVERSEAS CONTINGENCY OPERATIONS
(In Thousands of Dollars)

Item	FY 2017 Request	Senate Change	Senate Authorized
MILITARY PERSONNEL			
MILITARY PERSONNEL APPROPRIATIONS			
MILITARY PERSONNEL APPROPRIATIONS	3,562,258		3,562,258
SUBTOTAL MILITARY PERSONNEL APPROPRIATIONS	**3,562,258**	**0**	**3,562,258**
MEDICARE-ELIGIBLE RETIREE HEALTH FUND CONTRIBUTIONS			
MEDICARE-ELIGIBLE RETIREE HEALTH FUND CONTRIBUTIONS	0		0
SUBTOTAL MEDICARE-ELIGIBLE RETIREE HEALTH FUND CONTRIBUTIONS	**0**	**0**	**0**
TOTAL MILITARY PERSONNEL	**3,562,258**	**0**	**3,562,258**

TITLE XLV—OTHER AUTHORIZATIONS

TITLE XLV—OTHER AUTHORIZATIONS

SEC. 4501. OTHER AUTHORIZATIONS.

SEC. 4501. OTHER AUTHORIZATIONS
(In Thousands of Dollars)

Line	Item	FY 2017 Request	Senate Change	Senate Authorized
	WORKING CAPITAL FUND			
	WORKING CAPITAL FUND, ARMY			
020	ARMY SUPPLY MANAGEMENT	56,469		56,469
	SUBTOTAL WORKING CAPITAL FUND, ARMY	**56,469**	**0**	**56,469**
	WORKING CAPITAL FUND, AIR FORCE			
020	WORKING CAPITAL FUND	63,967		63,967
	SUBTOTAL WORKING CAPITAL FUND, AIR FORCE	**63,967**	**0**	**63,967**
	WORKING CAPITAL FUND, DEFENSE-WIDE			
020	WORKING CAPITAL FUND SUPPORT	37,132		37,132
	SUBTOTAL WORKING CAPITAL FUND, DEFENSE-WIDE	**37,132**	**0**	**37,132**
	WORKING CAPITAL FUND, DECA			
010	WORKING CAPITAL FUND SUPPORT	1,214,045		1,214,045
	SUBTOTAL WORKING CAPITAL FUND, DECA	**1,214,045**	**0**	**1,214,045**
	TOTAL WORKING CAPITAL FUND	**1,371,613**	**0**	**1,371,613**
	CHEM AGENTS & MUNITIONS DESTRUCTION			
	OPERATION AND MAINTENANCE			

1	O&M	147,282		147,282
	SUBTOTAL OPERATION AND MAINTENANCE	**147,282**	**0**	**147,282**
	RESEARCH, DEVELOPMENT, TEST, AND EVALUATION			
2	RDT&E	388,609		388,609
	SUBTOTAL RESEARCH, DEVELOPMENT, TEST, AND EVALUATION	**388,609**	**0**	**388,609**
	PROCUREMENT			
3	PROC	15,132		15,132
	SUBTOTAL PROCUREMENT	**15,132**	**0**	**15,132**
	TOTAL CHEM AGENTS & MUNITIONS DESTRUCTION	**551,023**	**0**	**551,023**
	DRUG INTERDICTION & CTR-DRUG ACTIVITIES, DEF			
	DRUG INTERDICTION AND COUNTER DRUG ACTIVITIES			
010	DEFENSEWIDE ACTIVITIES	730,087	–258,300	471,787
	Transfer to Security Cooperation Enhancement Fund		[–258,300]	
	SUBTOTAL DRUG INTERDICTION AND COUNTER DRUG ACTIVITIES	**730,087**	**–258,300**	**471,787**
	DRUG DEMAND REDUCTION PROGRAM			
020	DRUG INTRDCT & CNTR-DRG ACT, DEF	114,713		114,713
	SUBTOTAL DRUG DEMAND REDUCTION PROGRAM	**114,713**	**0**	**114,713**
	TOTAL DRUG INTERDICTION & CTR-DRUG ACTIVITIES, DEF	**844,800**	**–258,300**	**586,500**
	OFFICE OF THE INSPECTOR GENERAL			
	OPERATION AND MAINTENANCE			
010	DEFENSEWIDE ACTIVITIES	318,882	–7,300	311,582
	Audit FTE unjustified growth		[–7,300]	
	SUBTOTAL OPERATION AND MAINTENANCE	**318,882**	**–7,300**	**311,582**
	RDT&E			

SEC. 4501. OTHER AUTHORIZATIONS
(In Thousands of Dollars)

Line	Item	FY 2017 Request	Senate Change	Senate Authorized
020	DEFENSEWIDE ACTIVITIES	3,153		3,153
	SUBTOTAL RDT&E	**3,153**	**0**	**3,153**
	TOTAL OFFICE OF THE INSPECTOR GENERAL	**322,035**	**–7,300**	**314,735**
	DEFENSE HEALTH PROGRAM			
	OPERATION & MAINTENANCE			
010	IN-HOUSE CARE	9,240,160		9,240,160
020	PRIVATE SECTOR CARE	15,738,759		15,738,759
030	CONSOLIDATED HEALTH SUPPORT	2,367,759		2,367,759
040	INFORMATION MANAGEMENT	1,743,749		1,743,749
050	MANAGEMENT ACTIVITIES	311,380		311,380
060	EDUCATION AND TRAINING	743,231		743,231
070	BASE OPERATIONS/COMMUNICATIONS	2,086,352		2,086,352
210	UNDISTRIBUTED FOREIGN CURRENCY	0	–6,470	–6,470
	Foreign currency gains		[–6,470]	
	SUBTOTAL OPERATION & MAINTENANCE	**32,231,390**	**–6,470**	**32,224,920**
	RDT&E			
080	R&D RESEARCH	9,097		9,097
090	R&D EXPLORATRY DEVELOPMENT	58,517		58,517
100	R&D ADVANCED DEVELOPMENT	221,226		221,226
110	R&D DEMONSTRATION/VALIDATION	96,602		96,602
120	R&D ENGINEERING DEVELOPMENT	364,057		364,057
130	R&D MANAGEMENT AND SUPPORT	58,410		58,410
140	R&D CAPABILITIES ENHANCEMENT	14,998		14,998
	SUBTOTAL RDT&E	**822,907**	**0**	**822,907**

	PROCUREMENT			
150	PROC INITIAL OUTFITTING	20,611		20,611
160	PROC REPLACEMENT & MODERNIZATION	360,727		360,727
180	PROC JOINT OPERATIONAL MEDICINE INFORMATION SYSTEM	2,413		2,413
200	PROC DOD HEALTHCARE MANAGEMENT SYSTEM MODERNIZATION	29,468		29,468
	SUBTOTAL PROCUREMENT	**413,219**	**0**	**413,219**
	UNDISTRIBUTED			
220	UNDISTRIBUTED DEFENSE HEALTH PROGRAM	0	440,000	440,000
	Incorporation of value-based health care into TRICARE program		[24,500]	
	Pilot program on health insurance for reserve component members		[20,000]	
	Reduction for unauthorized fertility treatment benefits		[–38,000]	
	Reduction for unjustified travel expenses		[–6,500]	
	Reimbursement rates for Comprehensive Autism Care Demonstration program		[40,000]	
	TRICARE reform implementation		[400,000]	
	SUBTOTAL UNDISTRIBUTED	**0**	**440,000**	**440,000**
	TOTAL DEFENSE HEALTH PROGRAM	**33,467,516**	**433,530**	**33,901,046**
	SECURITY COOPERATION ENHANCEMENT FUND (SCEF)			
	SECURITY COOPERATION ENHANCEMENT FUND (SCEF)			
99	SECURITY COOPERATION ENHANCEMENT FUND (SCEF)	0	673,100	673,100
	Transfer from Drug Interdiction and Counter-Drug Activities		[258,300]	
	Transfer of Combatting Terrorism Fellowship Program		[26,800]	
	Transfer of Defense Institute of International Legal Studies		[2,600]	
	Transfer of Defense Institution Reform Initiative		[25,600]	
	Transfer of Global Train and Equip Program		[270,200]	
	Transfer of Ministry of Defense Advisors		[9,200]	
	Transfer of Regional Centers		[58,600]	
	Transfer of Wales Initaitive Fund/Partnership for Peace		[21,800]	
	SUBTOTAL SECURITY COOPERATION ENHANCEMENT FUND (SCEF)	**0**	**673,100**	**673,100**

SEC. 4501. OTHER AUTHORIZATIONS
(In Thousands of Dollars)

Line	Item	FY 2017 Request	Senate Change	Senate Authorized
	TOTAL SECURITY COOPERATION ENHANCEMENT FUND (SCEF)	0	673,100	673,100
	TOTAL OTHER AUTHORIZATIONS	36,556,987	841,030	37,398,017

SEC. 4502. OTHER AUTHORIZATIONS FOR OVERSEAS CONTINGENCY OPERATIONS.

SEC. 4502. OTHER AUTHORIZATIONS FOR OVERSEAS CONTINGENCY OPERATIONS
(In Thousands of Dollars)

Line	Item	FY 2017 Request	Senate Change	Senate Authorized
	WORKING CAPITAL FUND			
	WORKING CAPITAL FUND, ARMY			
020	ARMY SUPPLY MANAGEMENT	46,833		46,833
	SUBTOTAL WORKING CAPITAL FUND, ARMY	**46,833**	**0**	**46,833**
	DLA WORKING CAPITAL FUNDS			
030	DLA WORKING CAPITAL FUNDS	93,800		93,800
	SUBTOTAL DLA WORKING CAPITAL FUNDS	**93,800**	**0**	**93,800**
	TOTAL WORKING CAPITAL FUND	**140,633**	**0**	**140,633**
	DRUG INTERDICTION & CTR-DRUG ACTIVITIES, DEF			
	DRUG INTERDICTION AND COUNTER DRUG ACTIVITIES			
010	DEFENSEWIDE ACTIVITIES	215,333		215,333
	SUBTOTAL DRUG INTERDICTION AND COUNTER DRUG ACTIVITIES	**215,333**	**0**	**215,333**
	TOTAL DRUG INTERDICTION & CTR-DRUG ACTIVITIES, DEF	**215,333**	**0**	**215,333**
	OFFICE OF THE INSPECTOR GENERAL			
	OPERATION AND MAINTENANCE			
010	OPERATION AND MAINTENANCE	22,062		22,062
	SUBTOTAL OPERATION AND MAINTENANCE	**22,062**	**0**	**22,062**
	TOTAL OFFICE OF THE INSPECTOR GENERAL	**22,062**	**0**	**22,062**

SEC. 4502. OTHER AUTHORIZATIONS FOR OVERSEAS CONTINGENCY OPERATIONS
(In Thousands of Dollars)

Line	Item	FY 2017 Request	Senate Change	Senate Authorized
	DEFENSE HEALTH PROGRAM			
	OPERATION & MAINTENANCE			
010	IN-HOUSE CARE	95,366		95,366
020	PRIVATE SECTOR CARE	233,073		233,073
030	CONSOLIDATED HEALTH SUPPORT	3,325		3,325
	SUBTOTAL OPERATION & MAINTENANCE	**331,764**	**0**	**331,764**
	TOTAL DEFENSE HEALTH PROGRAM	**331,764**	**0**	**331,764**
	COUNTERTERRORISM PARTNERSHIPS FUND			
	COUNTERTERRORISM PARTNERSHIPS FUND			
090	COUNTERTERRORISM PARTNERSHIPS FUND	1,000,000	–1,000,000	0
	Ahead of need		[–150,000]	
	Transfer to Counter Islamic State in Iraq and the Levant Fund (former Iraq Train and Equip)		[–200,000]	
	Transfer to Security Cooperation Enhancement Fund		[–650,000]	
	SUBTOTAL COUNTERTERRORISM PARTNERSHIPS FUND	**1,000,000**	**–1,000,000**	**0**
	TOTAL COUNTERTERRORISM PARTNERSHIPS FUND	**1,000,000**	**–1,000,000**	**0**
	SECURITY COOPERATION ENHANCEMENT FUND (SCEF)			
	SECURITY COOPERATION ENHANCEMENT FUND (SCEF)			
99	SECURITY COOPERATION ENHANCEMENT FUND (SCEF)	0	1,470,000	1,470,000
	Transfer from Coalition Support Fund		[820,000]	
	Transfer from Counterterrorism Partnership Fund		[650,000]	
	SUBTOTAL SECURITY COOPERATION ENHANCEMENT FUND (SCEF)	**0**	**1,470,000**	**1,470,000**

TOTAL SECURITY COOPERATION ENHANCEMENT FUND (SCEF)	0	1,470,000	1,470,000
TOTAL OTHER AUTHORIZATIONS	1,709,792	470,000	2,179,792

TITLE XLVI—MILITARY CONSTRUCTION

TITLE XLVI—MILITARY CONSTRUCTION

SEC. 4601. MILITARY CONSTRUCTION.

SEC. 4601. MILITARY CONSTRUCTION
(In Thousands of Dollars)

Account	State/ Country	Installation	Project Title	Budget Request	Senate Change	Senate Authorized
MILITARY CONSTRUCTION						
MILCON, ARMY						
MILCON, ARMY	ALASKA	Fort Wainwright	Unmanned Aerial Vehicle Hangar	47,000		47,000
MILCON, ARMY	CALIFORNIA	Concord	Access Control Point	12,600		12,600
MILCON, ARMY	COLORADO	Fort Carson	Guard Readiness Center	0	16,500	16,500
MILCON, ARMY	COLORADO	Fort Carson	Automated Infantry Platoon Battle Course	8,100		8,100
MILCON, ARMY	COLORADO	Fort Carson	Unmanned Aerial Vehicle Hangar	5,000		5,000
MILCON, ARMY	GEORGIA	Fort Gordon	Company Operations Facility	0	10,600	10,600
MILCON, ARMY	GEORGIA	Fort Gordon	Cyber Protection Team Ops Facility	90,000		90,000
MILCON, ARMY	GEORGIA	Fort Stewart	Automated Qualification/Training Range	14,800		14,800
MILCON, ARMY	GERMANY	East Camp Grafenwoehr	Training Support Center	22,000		22,000
MILCON, ARMY	GERMANY	Garmisch	Dining Facility	9,600		9,600
MILCON, ARMY	GERMANY	Wiesbaden Army Airfield	Controlled Humidity Warehouse	16,500		16,500
MILCON, ARMY	GERMANY	Wiesbaden Army Airfield	Hazardous Material Storage Building	2,700		2,700
MILCON, ARMY	GUANTANAMO BAY, CUBA	Guantanamo Bay	Mass Migration Complex	33,000	–33,000	0
MILCON, ARMY	HAWAII	Fort Shafter	Command and Control Facility, Incr 2	40,000		40,000
MILCON, ARMY	TEXAS	Fort Hood	Automated Infantry Platoon Battle Course	7,600		7,600
MILCON, ARMY	UTAH	Camp Williams	Live Fire Exercise Shoothouse	7,400		7,400
MILCON, ARMY	VIRGINIA	Fort Belvoir	Secure Admin/Operations Facility, Incr 2	64,000		64,000
MILCON, ARMY	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Prior Year Savings	0	–30,000	–30,000

MILCON, ARMY	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Minor Construction FY17	25,000		25,000
MILCON, ARMY	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Planning and Design FY17	80,159		80,159
MILCON, ARMY	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Host Nation Support FY17	18,000		18,000
SUBTOTAL MILCON, ARMY				**503,459**	**–35,900**	**467,559**
MIL CON, NAVY						
MIL CON, NAVY	ARIZONA	Yuma	VMX–22 Maintenance Hangar	48,355		48,355
MIL CON, NAVY	CALIFORNIA	Coronado	Coastal Campus Entry Control Point	13,044		13,044
MIL CON, NAVY	CALIFORNIA	Coronado	Grace Hopper Data Center Power Upgrades	10,353		10,353
MIL CON, NAVY	CALIFORNIA	Coronado	Coastal Campus Utilities Infrastructure	81,104		81,104
MIL CON, NAVY	CALIFORNIA	Lemoore	F–35C Engine Repair Facility	26,723		26,723
MIL CON, NAVY	CALIFORNIA	Miramar	Communications Complex and Infrastructure	0	34,700	34,700
MIL CON, NAVY	CALIFORNIA	Miramar	F–35 Parking Apron	0	40,000	40,000
MIL CON, NAVY	CALIFORNIA	San Diego	Energy Security Hospital Microgrid	6,183	–6,183	0
MIL CON, NAVY	CALIFORNIA	Seal Beach	Missile Magazines	21,007		21,007
MIL CON, NAVY	FLORIDA	Eglin AFB	WMD Field Training Facilities	20,489		20,489
MIL CON, NAVY	GUAM	Joint Region Marianas	Power Upgrade—Harmon	62,210		62,210
MIL CON, NAVY	GUAM	Joint Region Marianas	Hardening of Guam POL Infrastructure	26,975		26,975
MIL CON, NAVY	HAWAII	Barking Sands	Upgrade Power Plant & Electrical Distrib Sys	43,384		43,384
MIL CON, NAVY	HAWAII	Kaneohe Bay	Regimental Consolidated Comm/Elec Facility	72,565		72,565
MIL CON, NAVY	JAPAN	Kadena AB	Aircraft Maintenance Complex	26,489		26,489
MIL CON, NAVY	JAPAN	Sasebo	Shore Power (Juliet Pier)	16,420		16,420
MIL CON, NAVY	MAINE	Kittery	Unaccompanied Housing	17,773		17,773
MIL CON, NAVY	MAINE	Kittery	Utility Improvements for Nuclear Platforms	30,119		30,119
MIL CON, NAVY	MARYLAND	Patuxent River	UCLASS RDT&E Hangar	40,576		40,576
MIL CON, NAVY	NEVADA	Fallon	Air Wing Simulator Facility	13,523		13,523
MIL CON, NAVY	NORTH CAROLINA	Camp Lejeune	Range Facilities Safety Improvements	18,482		18,482
MIL CON, NAVY	NORTH CAROLINA	Cherry Point Marine Corps Air Station	Central Heating Plant Conversion	12,515		12,515

SEC. 4601. MILITARY CONSTRUCTION
(In Thousands of Dollars)

Account	State/ Country	Installation	Project Title	Budget Request	Senate Change	Senate Authorized
MIL CON, NAVY	SOUTH CAROLINA	Beaufort	Aircraft Maintenance Hangar	83,490		83,490
MIL CON, NAVY	SOUTH CAROLINA	Parris Island	Recruit Reconditioning Center & Barracks	29,882		29,882
MIL CON, NAVY	SPAIN	Rota	Communication Station	23,607		23,607
MIL CON, NAVY	VIRGINIA	Norfolk	Chambers Field Magazine Recap	0	27,000	27,000
MIL CON, NAVY	WASHINGTON	Bangor	Service Pier Electrical Upgrades	18,939		18,939
MIL CON, NAVY	WASHINGTON	Bremerton	Submarine Refit Maint Support Facility	21,476		21,476
MIL CON, NAVY	WASHINGTON	Bremerton	Nuclear Repair Facility	6,704		6,704
MIL CON, NAVY	WASHINGTON	Whidbey Island	Triton Mission Control Facility	30,475		30,475
MIL CON, NAVY	WASHINGTON	Whidbey Island	EA–18G Maintenance Hangar	45,501		45,501
MIL CON, NAVY	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Unspecified Minor Construction	29,790		29,790
MIL CON, NAVY	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Planning and Design	88,230		88,230
MIL CON, NAVY	WORLDWIDE UNSPECIFIED	Various Worldwide Locations	Triton Forward Operating Base Hangar	41,380		41,380
SUBTOTAL MIL CON, NAVY				**1,027,763**	**95,517**	**1,123,280**
MILCON, AIR FORCE						
MILCON, AIR FORCE	ALASKA	Clear AFS	Fire Station	20,000		20,000
MILCON, AIR FORCE	ALASKA	Eielson AFB	F–35A ADAL Field Training Detachment Fac	22,100		22,100
MILCON, AIR FORCE	ALASKA	Eielson AFB	F–35A Hangar/Propulsion MX/Dispatch	44,900		44,900
MILCON, AIR FORCE	ALASKA	Eielson AFB	F–35A Missile Maintenance Facility	12,800		12,800
MILCON, AIR FORCE	ALASKA	Eielson AFB	F–35A Aircraft Weather Shelters (Sqd 1)	79,500		79,500
MILCON, AIR FORCE	ALASKA	Eielson AFB	F–35A Earth Covered Magazines	11,300		11,300
MILCON, AIR FORCE	ALASKA	Eielson AFB	F–35A Hangar/Squad Ops/AMU Sq #2	42,700		42,700
MILCON, AIR FORCE	ALASKA	Eielson AFB	F–35A Aircraft Weather Shelter (Sqd 2)	82,300		82,300

MILCON, AIR FORCE	ALASKA	Joint Base Elmendorf-Richardson	Add/Alter AWACS Alert Hangar	29,000		29,000
MILCON, AIR FORCE	ARIZONA	Luke AFB	F–35A Squad Ops/Aircraft Maint Unit #5	20,000		20,000
MILCON, AIR FORCE	AUSTRALIA	Darwin	APR—Expand Parking Apron	28,600		28,600
MILCON, AIR FORCE	AUSTRALIA	Darwin	APR—Aircraft MX Support Facility	1,800		1,800
MILCON, AIR FORCE	CALIFORNIA	Edwards Air Force Base	Flightline Fire Station	24,000		24,000
MILCON, AIR FORCE	COLORADO	Buckley Air Force Base	Small Arms Range Complex	13,500		13,500
MILCON, AIR FORCE	DELAWARE	Dover AFB	Aircraft Maintenance Hangar	39,000		39,000
MILCON, AIR FORCE	FLORIDA	Eglin AFB	Flightline Fire Station	13,600		13,600
MILCON, AIR FORCE	FLORIDA	Eglin AFB	Advanced Munitions Technology Complex	75,000		75,000
MILCON, AIR FORCE	FLORIDA	Patrick AFB	Fire/Crash Rescue Station	13,500		13,500
MILCON, AIR FORCE	GEORGIA	Moody AFB	Personnel Recovery 4-Bay Hangar/Helo Mx Unit	30,900		30,900
MILCON, AIR FORCE	GERMANY	Ramstein AB	37 AS Squadron Operations/Aircraft Maint Unit	13,437		13,437
MILCON, AIR FORCE	GERMANY	Spangdahlem AB	EIC—Site Development and Infrastructure	43,465		43,465
MILCON, AIR FORCE	GUAM	Joint Region Marianas	APR—Munitions Storage Igloos, Ph 2	35,300		35,300
MILCON, AIR FORCE	GUAM	Joint Region Marianas	Block 40 Maintenance Hangar	31,158		31,158
MILCON, AIR FORCE	GUAM	Joint Region Marianas	APR—SATCOM C4I Facility	14,200		14,200
MILCON, AIR FORCE	JAPAN	Kadena AB	APR—Replace Munitions Structures	19,815		19,815
MILCON, AIR FORCE	JAPAN	Yokota AB	Construct Combat Arms Training & Maint Fac	8,243		8,243
MILCON, AIR FORCE	JAPAN	Yokota AB	C–130J Corrosion Control Hangar	23,777		23,777
MILCON, AIR FORCE	KANSAS	McConnell AFB	Air Traffic Control Tower	11,200		11,200
MILCON, AIR FORCE	KANSAS	McConnell AFB	KC–46A Alter Flight Simulator Bldgs	3,000		3,000
MILCON, AIR FORCE	KANSAS	McConnell AFB	KC–46A ADAL Taxiway Delta	5,600		5,600
MILCON, AIR FORCE	LOUISIANA	Barksdale AFB	Consolidated Communication Facility	21,000		21,000
MILCON, AIR FORCE	MARIANA ISLANDS	Unspecified Location	APR—Land Acquisition	9,000		9,000
MILCON, AIR FORCE	MARYLAND	Joint Base Andrews	Consolidated Communications Center	0	50,000	50,000
MILCON, AIR FORCE	MARYLAND	Joint Base Andrews	21 Points Enclosed Firing Range	13,000		13,000
MILCON, AIR FORCE	MARYLAND	Joint Base Andrews	PAR Relocate JADOC Satellite Site	3,500		3,500
MILCON, AIR FORCE	MASSACHUSETTS	Hanscom AFB	System Management Engineering Facility	20,000		20,000
MILCON, AIR FORCE	MONTANA	Malmstrom AFB	Missile Maintenance Facility	14,600		14,600
MILCON, AIR FORCE	NEVADA	Nellis AFB	F–35A POL Fill Stand Addition	10,600		10,600
MILCON, AIR FORCE	NEW MEXICO	Cannon AFB	North Fitness Center	21,000		21,000

SEC. 4601. MILITARY CONSTRUCTION
(In Thousands of Dollars)

Account	State/ Country	Installation	Project Title	Budget Request	Senate Change	Senate Authorized
MILCON, AIR FORCE	NEW MEXICO	Holloman AFB	Hazardous Cargo Pad and Taxiway	10,600		10,600
MILCON, AIR FORCE	NEW MEXICO	Kirtland AFB	Combat Rescue Helicopter (CRH) Simulator	7,300		7,300
MILCON, AIR FORCE	OHIO	Wright-Patterson AFB	Relocated Entry Control Facility 26A	12,600		12,600
MILCON, AIR FORCE	OKLAHOMA	Altus AFB	KC–46A FTU/FTC Simulator Facility Ph 2	11,600		11,600
MILCON, AIR FORCE	OKLAHOMA	Tinker AFB	E3 Mission and Flight Simulator	0	26,000	26,000
MILCON, AIR FORCE	OKLAHOMA	Tinker AFB	KC–46A Depot System Integration Laboratory	17,000		17,000
MILCON, AIR FORCE	TEXAS	Joint Base San Antonio	BMT Recruit Dormitory 6	67,300		67,300
MILCON, AIR FORCE	TURKEY	Incirlik AB	Airfield Fire/Crash Rescue Station	13,449		13,449
MILCON, AIR FORCE	UNITED ARAB EMIRATES	Al Dhafra	Large Aircraft Maintenance Hangar	35,400		35,400
MILCON, AIR FORCE	UNITED KINGDOM	Croughton RAF	Main Gate Complex	16,500		16,500
MILCON, AIR FORCE	UNITED KINGDOM	Croughton RAF	JIAC Consolidation—Ph 3	53,082		53,082
MILCON, AIR FORCE	UTAH	Hill AFB	649 MUNS STAMP/Maint & Inspection Facility	12,000		12,000
MILCON, AIR FORCE	UTAH	Hill AFB	F–35A Munitions Maintenance Complex	10,100		10,100
MILCON, AIR FORCE	UTAH	Hill AFB	Composite Aircraft Antenna Calibration Fac	7,100		7,100
MILCON, AIR FORCE	UTAH	Hill AFB	649 MUNS Precision Guided Missile MX Facility	8,700		8,700
MILCON, AIR FORCE	UTAH	Hill AFB	649 MUNS Munitions Storage Magazines	6,600		6,600
MILCON, AIR FORCE	VIRGINIA	Joint Base Langley-Eustis	Fuel System Maintenance Dock	14,200		14,200
MILCON, AIR FORCE	VIRGINIA	Joint Base Langley-Eustis	Air Force Targeting Center	45,000		45,000
MILCON, AIR FORCE	WASHINGTON	Fairchild AFB	Pipeline Dorm, USAF SERE School (150 RM)	27,000		27,000
MILCON, AIR FORCE	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Prior Year Savings	0	–22,300	–22,300
MILCON, AIR FORCE	WORLDWIDE UNSPECIFIED	Various Worldwide Locations	Planning & Design	143,582		143,582
MILCON, AIR FORCE	WORLDWIDE UNSPECIFIED	Various Worldwide Locations	Unspecified Minor Military Construction	30,000		30,000
MILCON, AIR FORCE	WYOMING	F. E. Warren AFB	Missile Transfer Facility Bldg 4331	5,550		5,550
SUBTOTAL MILCON, AIR FORCE				**1,481,058**	**53,700**	**1,534,758**

MIL CON, DEF-WIDE

MIL CON, DEF-WIDE	ALASKA	Clear AFS	Long Range Discrim Radar Sys Complex Ph1	155,000	155,000
MIL CON, DEF-WIDE	ALASKA	Fort Greely	Missile Defense Complex Switchgear Facility	9,560	9,560
MIL CON, DEF-WIDE	ALASKA	Joint Base Elmendorf-Richardson	Construct Truck Offload Facility	4,900	4,900
MIL CON, DEF-WIDE	ARIZONA	Fort Huachuca	JITC Building 52110 Renovation	4,493	4,493
MIL CON, DEF-WIDE	CALIFORNIA	Coronado	SOF Seal Team Ops Facility	47,290	47,290
MIL CON, DEF-WIDE	CALIFORNIA	Coronado	SOF Seal Team Ops Facility	47,290	47,290
MIL CON, DEF-WIDE	CALIFORNIA	Coronado	SOF Special RECON Team ONE Operations Fac	20,949	20,949
MIL CON, DEF-WIDE	CALIFORNIA	Coronado	SOF Human Performance Training Center	15,578	15,578
MIL CON, DEF-WIDE	CALIFORNIA	Coronado	SOF Training Detachment ONE Ops Facility	44,305	44,305
MIL CON, DEF-WIDE	CALIFORNIA	Travis AFB	Replace Hydrant Fuel System	26,500	26,500
MIL CON, DEF-WIDE	DELAWARE	Dover AFB	Welch ES/Dover MS Replacement	44,115	44,115
MIL CON, DEF-WIDE	DIEGO GARCIA	Diego Garcia	Improve Wharf Refueling Capability	30,000	30,000
MIL CON, DEF-WIDE	FLORIDA	Patrick AFB	Replace Fuel Tanks	10,100	10,100
MIL CON, DEF-WIDE	GEORGIA	Fort Benning	SOF Tactical Unmanned Aerial Vehicle Hangar	4,820	4,820
MIL CON, DEF-WIDE	GEORGIA	Fort Gordon	Medical Clinic Replacement	25,000	25,000
MIL CON, DEF-WIDE	GERMANY	Kaiserlautern AB	Sembach Elementary/Middle School Replacement	45,221	45,221
MIL CON, DEF-WIDE	GERMANY	Rhine Ordnance Barracks	Medical Center Replacement Incr 6	58,063	58,063
MIL CON, DEF-WIDE	JAPAN	Iwakuni	Construct Truck Offload & Loading Facilities	6,664	6,664
MIL CON, DEF-WIDE	JAPAN	Kadena AB	Kadena Elementary School Replacement	84,918	84,918
MIL CON, DEF-WIDE	JAPAN	Kadena AB	SOF Simulator Facility (MC–130)	12,602	12,602
MIL CON, DEF-WIDE	JAPAN	Kadena AB	SOF Maintenance Hangar	42,823	42,823
MIL CON, DEF-WIDE	JAPAN	Kadena AB	Medical Materiel Warehouse	20,881	20,881
MIL CON, DEF-WIDE	JAPAN	Yokota AB	Hangar/AMU	39,466	39,466
MIL CON, DEF-WIDE	JAPAN	Yokota AB	Operations and Warehouse Facilities	26,710	26,710
MIL CON, DEF-WIDE	JAPAN	Yokota AB	Simulator Facility	6,261	6,261
MIL CON, DEF-WIDE	JAPAN	Yokota AB	Airfield Apron	41,294	41,294
MIL CON, DEF-WIDE	KWAJALEIN	Kwajalein Atoll	Replace Fuel Storage Tanks	85,500	85,500
MIL CON, DEF-WIDE	MAINE	Kittery	Medical/Dental Clinic Replacement	27,100	27,100
MIL CON, DEF-WIDE	MARYLAND	Bethesda Naval Hospital	MEDCEN Addition/Alteration Incr 1	50,000	50,000

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Account	State/ Country	Installation	Project Title	Budget Request	Senate Change	Senate Authorized
MIL CON, DEF-WIDE	MARYLAND	Fort Meade	NSAW Recapitalize Building #2 Incr 2	195,000		195,000
MIL CON, DEF-WIDE	MARYLAND	Fort Meade	NSAW Campus Feeders Phase 3	17,000		17,000
MIL CON, DEF-WIDE	MARYLAND	Fort Meade	Access Control Facility	21,000		21,000
MIL CON, DEF-WIDE	MISSOURI	St. Louis	Land Acquisition-Next NGA West (N2W) Campus	801		801
MIL CON, DEF-WIDE	NORTH CAROLINA	Camp Lejeune	Dental Clinic Replacement	31,000		31,000
MIL CON, DEF-WIDE	NORTH CAROLINA	Fort Bragg	SOF Tactical Equipment Maintenance Facility	23,598		23,598
MIL CON, DEF-WIDE	NORTH CAROLINA	Fort Bragg	SOF Parachute Rigging Facility	21,420		21,420
MIL CON, DEF-WIDE	NORTH CAROLINA	Fort Bragg	SOF Special Tactics Facility (PH3)	30,670		30,670
MIL CON, DEF-WIDE	NORTH CAROLINA	Fort Bragg	SOF Combat Medic Training Facility	10,905		10,905
MIL CON, DEF-WIDE	SOUTH CAROLINA	Joint Base Charleston	Construct Hydrant Fuel System	17,000		17,000
MIL CON, DEF-WIDE	TEXAS	Red River Army Depot	Construct Warehouse & Open Storage	44,700		44,700
MIL CON, DEF-WIDE	TEXAS	Sheppard AFB	Medical/Dental Clinic Replacement	91,910		91,910
MIL CON, DEF-WIDE	UNITED KINGDOM	Croughton RAF	Croughton Elem/Middle/High School Replacement	71,424		71,424
MIL CON, DEF-WIDE	UNITED KINGDOM	Royal Air Force Lakenheath	Construct Hydrant Fuel System	13,500		13,500
MIL CON, DEF-WIDE	VIRGINIA	Pentagon	Pentagon Metro Entrance Facility	12,111	–12,111	0
MIL CON, DEF-WIDE	VIRGINIA	Pentagon	Upgrade IT Facilities Infrastructure-RRMC	8,105		8,105
MIL CON, DEF-WIDE	WAKE ISLAND	Wake Island	Test Support Facility	11,670		11,670
MIL CON, DEF-WIDE	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Battalion Complex	0	64,400	64,400
MIL CON, DEF-WIDE	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Prior Year Savings	0	–132,200	–132,200
MIL CON, DEF-WIDE	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Unspecified Minor Construction	3,000		3,000
MIL CON, DEF-WIDE	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Planning and Design	23,585		23,585

MIL CON, DEF-WIDE	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Planning and Design	71,647		71,647
MIL CON, DEF-WIDE	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Worldwide Unspecified Minor Construction	2,414		2,414
MIL CON, DEF-WIDE	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Unspecified Minor Construction	5,994		5,994
MIL CON, DEF-WIDE	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Energy Conservation Investment Program	150,000		150,000
MIL CON, DEF-WIDE	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Contingency Construction	10,000		10,000
MIL CON, DEF-WIDE	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Unspecified Minor Construction	3,000		3,000
MIL CON, DEF-WIDE	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Planning and Design	13,450		13,450
MIL CON, DEF-WIDE	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	ECIP Design	10,000		10,000
MIL CON, DEF-WIDE	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Unspecified Minor Milcon	3,913		3,913
MIL CON, DEF-WIDE	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Planning and Design	24,000		24,000
MIL CON, DEF-WIDE	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Unspecified Minor Construction	8,500		8,500
MIL CON, DEF-WIDE	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Exercise Related Minor Construction	8,631		8,631
MIL CON, DEF-WIDE	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Planning and Design	3,427		3,427
MIL CON, DEF-WIDE	WORLDWIDE UNSPECIFIED	Various Worldwide Locations	Planning and Design	27,653		27,653
MIL CON, DEF-WIDE	WORLDWIDE UNSPECIFIED	Various Worldwide Locations	Planning & Design	27,660		27,660
SUBTOTAL MIL CON, DEF-WIDE				**2,056,091**	**–79,911**	**1,976,180**

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Account	State/ Country	Installation	Project Title	Budget Request	Senate Change	Senate Authorized
MILCON, ARNG						
MILCON, ARNG	HAWAII	Hilo	Combined Support Maintenance Shop	31,000		31,000
MILCON, ARNG	IOWA	Davenport	National Guard Readiness Center	23,000		23,000
MILCON, ARNG	KANSAS	Fort Leavenworth	National Guard Readiness Center	29,000		29,000
MILCON, ARNG	NEW HAMPSHIRE	Hooksett	National Guard Vehicle Maintenance Shop	11,000		11,000
MILCON, ARNG	NEW HAMPSHIRE	Rochester	National Guard Vehicle Maintenance Shop	8,900		8,900
MILCON, ARNG	OKLAHOMA	Ardmore	National Guard Readiness Center	22,000		22,000
MILCON, ARNG	PENNSYLVANIA	York	National Guard Readiness Center	9,300		9,300
MILCON, ARNG	RHODE ISLAND	East Greenwich	National Guard/Reserve Center Building (JFHQ)	20,000		20,000
MILCON, ARNG	UTAH	Camp Williams	National Guard Readiness Center	37,000		37,000
MILCON, ARNG	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Unspecified Minor Construction	12,001		12,001
MILCON, ARNG	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Planning and Design	8,729		8,729
MILCON, ARNG	WYOMING	Laramie	National Guard Readiness Center	21,000		21,000
SUBTOTAL MILCON, ARNG				**232,930**	**0**	**232,930**
MILCON, ANG						
MILCON, ANG	CONNECTICUT	Bradley IAP	Construct Small Air Terminal	6,300		6,300
MILCON, ANG	FLORIDA	Jacksonville IAP	Replace Fire Crash/Rescue Station	9,000		9,000
MILCON, ANG	HAWAII	Joint Base Pearl Harbor-Hickam	F–22 Composite Repair Facility	11,000		11,000
MILCON, ANG	IOWA	Sioux Gateway Airport	Construct Consolidated Support Functions	12,600		12,600
MILCON, ANG	MINNESOTA	Duluth IAP	Load Crew Training/Weapon Shops	7,600		7,600
MILCON, ANG	NEW HAMPSHIRE	Pease International Trade Port	KC–46A Install Fuselage Trainer Bldg 251	1,500		1,500
MILCON, ANG	NORTH CAROLINA	Charlotte/Douglas IAP	C–17 Corrosion Control/Fuel Cell Hangar	29,600		29,600

MILCON, ANG	NORTH CAROLINA	Charlotte/Douglas IAP	C–17 Type III Hydrant Refueling System	21,000		21,000
MILCON, ANG	SOUTH CAROLINA	McEntire ANGS	Replace Operations and Training Facility	8,400		8,400
MILCON, ANG	TEXAS	Ellington Field	Consolidate Crew Readiness Facility	4,500		4,500
MILCON, ANG	VERMONT	Burlington IAP	F–35 Beddown 4-Bay Flight Simulator	4,500		4,500
MILCON, ANG	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Unspecified Minor Construction	17,495		17,495
MILCON, ANG	WORLDWIDE UNSPECIFIED	Various Worldwide Locations	Planning and Design	10,462		10,462
SUBTOTAL MILCON, ANG				**143,957**	**0**	**143,957**
MILCON, ARMY R						
MILCON, ARMY R	ARIZONA	Phoenix	Army Reserve Center	0	30,000	30,000
MILCON, ARMY R	CALIFORNIA	Fort Hunter Liggett	Emergency Services Center	21,500		21,500
MILCON, ARMY R	CALIFORNIA	Fort Hunter Liggett	Transient Training Barracks	19,000		19,000
MILCON, ARMY R	VIRGINIA	Dublin	Organizational Maintenance Shop/AMSA	6,000		6,000
MILCON, ARMY R	WISCONSIN	Fort McCoy	AT/MOB Dining Facility	11,400		11,400
MILCON, ARMY R	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Planning and Design	7,500		7,500
MILCON, ARMY R	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Unspecified Minor Construction	2,830		2,830
SUBTOTAL MILCON, ARMY R				**68,230**	**30,000**	**98,230**
MIL CON, NAVY RES						
MIL CON, NAVY RES	LOUISIANA	New Orleans	Joint Reserve Intelligence Center	11,207		11,207
MIL CON, NAVY RES	NEW YORK	Brooklyn	Electric Feeder Ductbank	1,964		1,964
MIL CON, NAVY RES	NEW YORK	Syracuse	Marine Corps Reserve Center	13,229		13,229
MIL CON, NAVY RES	TEXAS	Galveston	Reserve Center Annex	8,414		8,414
MIL CON, NAVY RES	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	MCNR Planning & Design	3,783		3,783
SUBTOTAL MIL CON, NAVY RES				**38,597**	**0**	**38,597**

MILCON, AF RES

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Account	State/ Country	Installation	Project Title	Budget Request	Senate Change	Senate Authorized
MILCON, AF RES	NORTH CAROLINA	Seymour Johnson AFB	KC–46A Two Bay Corrosion/Fuel Cell Hangar	90,000		90,000
MILCON, AF RES	NORTH CAROLINA	Seymour Johnson AFB	KC–46A ADAL Bldg for AGE/Fuselage Training	5,700		5,700
MILCON, AF RES	NORTH CAROLINA	Seymour Johnson AFB	KC–46A ADAL Squadron Operations Facilities	2,250		2,250
MILCON, AF RES	PENNSYLVANIA	Pittsburgh IAP	C–17 Construct Two Bay Corrosion/Fuel Hangar	54,000		54,000
MILCON, AF RES	PENNSYLVANIA	Pittsburgh IAP	C–17 ADAL Fuel Hydrant System	22,800		22,800
MILCON, AF RES	PENNSYLVANIA	Pittsburgh IAP	C–17 Const/OverlayTaxiway and Apron	8,200		8,200
MILCON, AF RES	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Planning & Design	4,500		4,500
MILCON, AF RES	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Unspecified Minor Construction	1,500		1,500
SUBTOTAL MILCON, AF RES				**188,950**	**0**	**188,950**
NATO SEC INV PRGM						
NATO SEC INV PRGM	WORLDWIDE UNSPECIFIED	NATO Security Investment Program	Nato Security Investment Program	177,932		177,932
NATO SEC INV PRGM	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Prior Year Savings	0	–30,000	–30,000
SUBTOTAL NATO SEC INV PRGM				**177,932**	**–30,000**	**147,932**
TOTAL MILITARY CONSTRUCTION				**5,918,967**	**33,406**	**5,952,373**
FAMILY HOUSING						
FAM HSG CON, ARMY						
FAM HSG CON, ARMY	KOREA	Camp Humphreys	Family Housing New Construction	143,563		143,563
FAM HSG CON, ARMY	KOREA	Camp Walker	Family Housing New Construction	54,554		54,554
FAM HSG CON, ARMY	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Planning & Design	2,618		2,618

SUBTOTAL FAM HSG CON, ARMY				**200,735**	**0**	**200,735**
FAM HSG O&M, ARMY						
FAM HSG O&M, ARMY	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Management	40,344		40,344
FAM HSG O&M, ARMY	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Services	7,993		7,993
FAM HSG O&M, ARMY	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Furnishings	10,178		10,178
FAM HSG O&M, ARMY	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Miscellaneous	400		400
FAM HSG O&M, ARMY	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Maintenance	60,745		60,745
FAM HSG O&M, ARMY	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Utilities	55,428		55,428
FAM HSG O&M, ARMY	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Leasing	131,761		131,761
FAM HSG O&M, ARMY	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Housing Privitization Support	19,146		19,146
SUBTOTAL FAM HSG O&M, ARMY				**325,995**	**0**	**325,995**
FAM HSG CON, N/MC						
FAM HSG CON, N/MC	MARIANA ISLANDS	Guam	Replace Andersen Housing PH I	78,815		78,815
FAM HSG CON, N/MC	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Construction Improvements	11,047		11,047
FAM HSG CON, N/MC	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Planning & Design	4,149		4,149
SUBTOTAL FAM HSG CON, N/MC				**94,011**	**0**	**94,011**
FAM HSG O&M, N/MC						
FAM HSG O&M, N/MC	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Utilities	56,685		56,685

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Account	State/ Country	Installation	Project Title	Budget Request	Senate Change	Senate Authorized
FAM HSG O&M, N/MC	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Furnishings	17,457		17,457
FAM HSG O&M, N/MC	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Management	51,291		51,291
FAM HSG O&M, N/MC	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Miscellaneous	364		364
FAM HSG O&M, N/MC	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Services	12,855		12,855
FAM HSG O&M, N/MC	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Leasing	54,689		54,689
FAM HSG O&M, N/MC	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Maintenance	81,254		81,254
FAM HSG O&M, N/MC	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Housing Privatization Support	26,320		26,320
SUBTOTAL FAM HSG O&M, N/MC				**300,915**	**0**	**300,915**
FAM HSG CON, AF						
FAM HSG CON, AF	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Construction Improvements	56,984		56,984
FAM HSG CON, AF	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Planning & Design	4,368		4,368
SUBTOTAL FAM HSG CON, AF				**61,352**	**0**	**61,352**
FAM HSG O&M, AF						
FAM HSG O&M, AF	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Housing Privatization Support	41,809		41,809

FAM HSG O&M, AF	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Utilities	37,241		37,241
FAM HSG O&M, AF	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Management	42,919		42,919
FAM HSG O&M, AF	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Services	13,026		13,026
FAM HSG O&M, AF	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Furnishings	31,690		31,690
FAM HSG O&M, AF	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Miscellaneous	1,745		1,745
FAM HSG O&M, AF	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Leasing	20,530		20,530
FAM HSG O&M, AF	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Maintenance	85,469		85,469
SUBTOTAL FAM HSG O&M, AF				**274,429**	**0**	**274,429**
FAM HSG O&M, DW						
FAM HSG O&M, DW	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Utilities	4,100		4,100
FAM HSG O&M, DW	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Furnishings	399		399
FAM HSG O&M, DW	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Utilities	367		367
FAM HSG O&M, DW	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Leasing	11,044		11,044
FAM HSG O&M, DW	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Maintenance	800		800
FAM HSG O&M, DW	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Furnishings	500		500
FAM HSG O&M, DW	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Leasing	40,984		40,984

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(In Thousands of Dollars)

Account	State/ Country	Installation	Project Title	Budget Request	Senate Change	Senate Authorized
FAM HSG O&M, DW	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Furnishings	20		20
FAM HSG O&M, DW	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Services	32		32
FAM HSG O&M, DW	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Utilities	174		174
FAM HSG O&M, DW	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Maintenance	349		349
FAM HSG O&M, DW	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Management	388		388
SUBTOTAL FAM HSG O&M, DW				**59,157**	**0**	**59,157**
FAM HSG IMPROVE FUND						
FAM HSG IMPROVE FUND	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Program Expenses	3,258		3,258
SUBTOTAL FAM HSG IMPROVE FUND				**3,258**	**0**	**3,258**
TOTAL FAMILY HOUSING				**1,319,852**		**1,319,852**
DEFENSE BASE REALIGNMENT AND CLOSURE						
DOD BRAC—ARMY						
DOD BRAC—ARMY	WORLDWIDE UNSPECIFIED	Base Realignment & Closure, Army	Base Realignment and Closure	14,499		14,499
SUBTOTAL DOD BRAC—ARMY				**14,499**	**0**	**14,499**
DOD BRAC—NAVY						

DOD BRAC—NAVY	WORLDWIDE UNSPECIFIED	Base Realignment & Closure, Navy	Base Realignment & Closure	110,606		110,606
DOD BRAC—NAVY	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	DON–172: NWS Seal Beach, Concord, CA	4,648		4,648
DOD BRAC—NAVY	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	DON–138: NAS Brunswick, ME	557		557
DOD BRAC—NAVY	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	DON–157: MCSA Kansas City, MO	100		100
DOD BRAC—NAVY	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	DON–84: JRB Willow Grove & Cambria Reg AP	3,397		3,397
DOD BRAC—NAVY	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	DON–100: Planing, Design and Management	4,604		4,604
DOD BRAC—NAVY	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	DON–101: Various Locations	10,461		10,461
SUBTOTAL DOD BRAC—NAVY				**134,373**	**0**	**134,373**
DOD BRAC—AIR FORCE						
DOD BRAC—AIR FORCE	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	DoD BRAC Activities—Air Force	56,365		56,365
SUBTOTAL DOD BRAC—AIR FORCE				**56,365**	**0**	**56,365**
TOTAL DEFENSE BASE REALIGNMENT AND CLOSURE				**205,237**		**205,237**
TOTAL MILITARY CONSTRUCTION, FAMILY HOUSING, AND BRAC				**7,444,056**	**33,406**	**7,477,462**

SEC. 4602. MILITARY CONSTRUCTION FOR OVERSEAS CONTINGENCY OPERATIONS.

SEC. 4602. MILITARY CONSTRUCTION FOR OVERSEAS CONTINGENCY OPERATIONS
(In Thousands of Dollars)

Account	State/ Country	Installation	Project Title	Budget Request	Senate Change	Senate Authorized
MILITARY CONSTRUCTION						
MILCON, ARMY						
MILCON, ARMY	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	ERI: Planning and Design	18,900		18,900
SUBTOTAL MILCON, ARMY				**18,900**	**0**	**18,900**
MIL CON, NAVY						
MIL CON, NAVY	DJIBOUTI	Camp Lemonier	OCO: Medical/Dental Facility	37,409		37,409
MIL CON, NAVY	ICELAND	Keflavik	ERI: P–8A Hangar Upgrade	14,600		14,600
MIL CON, NAVY	ICELAND	Keflavik	ERI: P–8A Aircraft Rinse Rack	5,000		5,000
MIL CON, NAVY	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	Planning and Design	1,000		1,000
MIL CON, NAVY	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	ERI: Planning and Design	1,800		1,800
SUBTOTAL MIL CON, NAVY				**59,809**	**0**	**59,809**
MILCON, AIR FORCE						
MILCON, AIR FORCE	BULGARIA	Graf Ignatievo	ERI: Fighter Ramp Extension	7,000		7,000
MILCON, AIR FORCE	BULGARIA	Graf Ignatievo	ERI: Construct Sq Ops/Operational Alert Fac	3,800		3,800
MILCON, AIR FORCE	BULGARIA	Graf Ignatievo	ERI: Upgrade Munitions Storage Area	2,600		2,600
MILCON, AIR FORCE	DJIBOUTI	Chabelley Airfield	OCO: Construct Chabelley Access Road	3,600		3,600
MILCON, AIR FORCE	DJIBOUTI	Chabelley Airfield	OCO: Construct Parking Apron and Taxiway	6,900		6,900
MILCON, AIR FORCE	ESTONIA	Amari Air Base	ERI: Construct Bulk Fuel Storage	6,500		6,500
MILCON, AIR FORCE	GERMANY	Spangdahlem AB	ERI: Upgrade Hardened Aircraft Shelters	2,700		2,700
MILCON, AIR FORCE	GERMANY	Spangdahlem AB	ERI: F/A–22 Upgrade Infrastructure/Comm/Util	1,600		1,600

MILCON, AIR FORCE	GERMANY	Spangdahlem AB	ERI: F/A–22 Low Observable/Comp Repair Fac	12,000		12,000
MILCON, AIR FORCE	GERMANY	Spangdahlem AB	ERI: Construct High Cap Trim Pad & Hush House	1,000		1,000
MILCON, AIR FORCE	GERMANY	Spangdahlem AB	ERI: Upgrade Munitions Storage Doors	1,400		1,400
MILCON, AIR FORCE	LITHUANIA	Siauliai	ERI: Munitions Storage	3,000		3,000
MILCON, AIR FORCE	POLAND	Lask AB	ERI: Construct Squadron Operations Facility	4,100		4,100
MILCON, AIR FORCE	POLAND	Powidz AB	ERI: Construct Squadron Operations Facility	4,100		4,100
MILCON, AIR FORCE	ROMANIA	Campia Turzii	ERI: Extend Parking Aprons	6,000		6,000
MILCON, AIR FORCE	ROMANIA	Campia Turzii	ERI: Construct Munitions Storage Area	3,000		3,000
MILCON, AIR FORCE	ROMANIA	Campia Turzii	ERI: Construct Two-Bay Hangar	6,100		6,100
MILCON, AIR FORCE	ROMANIA	Campia Turzii	ERI: Construct Squadron Operations Facility	3,400		3,400
MILCON, AIR FORCE	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	OCO: Planning and Design	940		940
MILCON, AIR FORCE	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	CTP: Planning and Design	9,000		9,000
SUBTOTAL MILCON, AIR FORCE				**88,740**	**0**	**88,740**
MIL CON, DEF-WIDE						
MIL CON, DEF-WIDE	WORLDWIDE UNSPECIFIED	Unspecified Worldwide Locations	ERI: Unspecified Minor Construction	5,000		5,000
SUBTOTAL MIL CON, DEF-WIDE				**5,000**	**0**	**5,000**
TOTAL MILITARY CONSTRUCTION				**172,449**	**0**	**172,449**
TOTAL MILITARY CONSTRUCTION, FAMILY HOUSING, AND BRAC				**172,449**	**0**	**172,449**

TITLE XLVII—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

TITLE XLVII—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

SEC. 4701. DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS.

SEC. 4701. DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS
(In Thousands of Dollars)

Program	FY 2017 Request	Senate Change	Senate Authorized
Discretionary Summary By Appropriation			
Energy And Water Development, And Related Agencies			
Appropriation Summary:			
Energy Programs			
Nuclear Energy	151,876	0	151,876
Atomic Energy Defense Activities			
National nuclear security administration:			
Weapons activities	9,243,147	–7,750	9,235,397
Defense nuclear nonproliferation	1,807,916	70,000	1,877,916
Naval reactors	1,420,120	0	1,420,120
Federal salaries and expenses	412,817	0	412,817
Total, National nuclear security administration	**12,884,000**	**62,250**	**12,946,250**
Environmental and other defense activities:			
Defense environmental cleanup	5,382,050	–135,100	5,246,950
Other defense activities	791,552	0	791,552
Total, Environmental & other defense activities	**6,173,602**	**–135,100**	**6,038,502**
Total, Atomic Energy Defense Activities	**19,057,602**	**–72,850**	**18,984,752**
Total, Discretionary Funding	**19,209,478**	**–72,850**	**19,136,628**

Nuclear Energy			
Idaho sitewide safeguards and security	129,303		129,303
Idaho operations and maintenance	7,313		7,313
Consent Based Siting	15,260		15,260
Total, Nuclear Energy	**151,876**	**0**	**151,876**
Weapons Activities			
Directed stockpile work			
Life extension programs			
B61 Life extension program	616,079		616,079
W76 Life extension program	222,880		222,880
W88 Alt 370	281,129		281,129
W80–4 Life extension program	220,253		220,253
Total, Life extension programs	**1,340,341**	**0**	**1,340,341**
Stockpile systems			
B61 Stockpile systems	57,313		57,313
W76 Stockpile systems	38,604		38,604
W78 Stockpile systems	56,413		56,413
W80 Stockpile systems	64,631		64,631
B83 Stockpile systems	41,659		41,659
W87 Stockpile systems	81,982		81,982
W88 Stockpile systems	103,074		103,074
Total, Stockpile systems	**443,676**	**0**	**443,676**
Weapons dismantlement and disposition			
Operations and maintenance	68,984	–12,750	56,234
Program reduction		[–12,750]	
Stockpile services			
Production support	457,043		457,043
Research and development support	34,187		34,187
R&D certification and safety	156,481		156,481
Management, technology, and production	251,978		251,978
Total, Stockpile services	**899,689**	**0**	**899,689**

SEC. 4701. DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS
(In Thousands of Dollars)

Program	FY 2017 Request	Senate Change	Senate Authorized
Nuclear material commodities			
Uranium sustainment	20,988		20,988
Plutonium sustainment	184,970		184,970
Tritium sustainment	109,787		109,787
Domestic uranium enrichment	50,000		50,000
Strategic matrials sustainment	212,092		212,092
Total, Nuclear material commodities	**577,837**	**0**	**577,837**
Total, Directed stockpile work	**3,330,527**	**–12,750**	**3,317,777**
Research, development, test and evaluation (RDT&E)			
Science			
Advanced certification	58,000		58,000
Primary assessment technologies	99,000		99,000
Dynamic materials properties	106,000		106,000
Advanced radiography	50,500		50,500
Secondary assessment technologies	76,000		76,000
Academic alliances and partnerships	52,484		52,484
Total, Science	**441,984**	**0**	**441,984**
Engineering			
Enhanced surety	37,196		37,196
Weapon systems engineering assessment technology	16,958		16,958
Nuclear survivability	43,105		43,105
Enhanced surveillance	42,228		42,228
Total, Engineering	**139,487**	**0**	**139,487**
Inertial confinement fusion ignition and high yield			
Ignition	75,432		75,432
Support of other stockpile programs	23,363		23,363
Diagnostics, cryogenics and experimental support	68,696		68,696

Pulsed power inertial confinement fusion	5,616		5,616
Joint program in high energy density laboratory plasmas	9,492		9,492
Facility operations and target production	340,360		340,360
Total, Inertial confinement fusion and high yield	**522,959**	**0**	**522,959**
Advanced simulation and computing	663,184		663,184
Stockpile Responsiveness Program	0	5,000	5,000
Program Increase		[5,000]	
Advanced manufacturing			
Additive manufacturing	12,000		12,000
Component manufacturing development	46,583		46,583
Processing technology development	28,522		28,522
Total, Advanced manufacturing	**87,105**	**0**	**87,105**
Total, RDT&E	**1,854,719**	**5,000**	**1,859,719**
Infrastructure and operations (formerly RTBF)			
Operating			
Operations of facilities			
Kansas City Plant	101,000		101,000
Lawrence Livermore National Laboratory	70,500		70,500
Los Alamos National Laboratory	196,500		196,500
Nevada Test Site	92,500		92,500
Pantex	55,000		55,000
Sandia National Laboratory	118,000		118,000
Savannah River Site	83,500		83,500
Y–12 National security complex	107,000		107,000
Total, Operations of facilities	**824,000**	**0**	**824,000**
Safety and environmental operations	110,000		110,000
Maintenance and repair of facilities	294,000		294,000
Recapitalization:			
Infrastructure and safety	554,643		554,643

SEC. 4701. DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS
(In Thousands of Dollars)

Program	FY 2017 Request	Senate Change	Senate Authorized
Capability based investment	112,639		112,639
Total, Recapitalization	**667,282**	**0**	**667,282**
Construction:			
17–D–640, U1a Complex Enhancements Project, NNSS	11,500		11,500
17–D–630 Electrical Infrastructure Upgrades, LLNL	25,000		25,000
16–D–515 Albuquerque complex upgrades project	15,047		15,047
15–D–613 Emergency Operations Center, Y–12	2,000		2,000
15–D–302, TA–55 Reinvestment project, Phase 3, LANL	21,455		21,455
07–D–220-04 Transuranic liquid waste facility, LANL	17,053		17,053
06–D–141 PED/Construction, UPF Y–12, Oak Ridge, TN	575,000		575,000
04–D–125—04 RLUOB equipment installation	159,615		159,615
Total, Construction	**826,670**	**0**	**826,670**
Total, Infrastructure and operations	**2,721,952**	**0**	**2,721,952**
Secure transportation asset			
Operations and equipment	179,132		179,132
Program direction	103,600		103,600
Total, Secure transportation asset	**282,732**	**0**	**282,732**
Defense nuclear security			
Operations and maintenance	657,133		657,133
Construction:			
14–D–710 Device assembly facility argus installation project, NV	13,000		13,000
Total, Defense nuclear security	**670,133**	**0**	**670,133**
Information technology and cybersecurity	176,592		176,592
Legacy contractor pensions	248,492		248,492
Rescission of prior year balances	–42,000		–42,000
Total, Weapons Activities	**9,243,147**	**–7,750**	**9,235,397**

Defense Nuclear Nonproliferation			
Defense Nuclear Nonproliferation Programs			
Defense Nuclear Nonproliferation R&D			
Global material security	337,108		337,108
Material management and minimization	341,094		341,094
Nonproliferation and arms control	124,703		124,703
Defense Nuclear Nonproliferation R&D	393,922		393,922
Nonproliferation Construction:			
99–D–143 Mixed Oxide (MOX) Fuel Fabrication Facility, SRS	270,000	70,000	340,000
MOX Fuel Fabrication Facility Construction		[70,000]	
Total, Nonproliferation construction	**270,000**	**70,000**	**340,000**
Total, Defense Nuclear Nonproliferation Programs	**1,466,827**	**70,000**	**1,536,827**
Legacy contractor pensions	83,208		83,208
Nuclear counterterrorism and incident response program	271,881		271,881
Rescission of prior year balances	–14,000		–14,000
Total, Defense Nuclear Nonproliferation	**1,807,916**	**70,000**	**1,877,916**
Naval Reactors			
Naval reactors operations and infrastructure	449,682		449,682
Naval reactors development	437,338		437,338
Ohio replacement reactor systems development	213,700		213,700
S8G Prototype refueling	124,000		124,000
Program direction	47,100		47,100
Construction:			
17–D–911, BL Fire System Upgrade	1,400		1,400
15–D–904 NRF Overpack Storage Expansion 3	700		700
15–D–902 KS Engineroom team trainer facility	33,300		33,300
14–D–901 Spent fuel handling recapitalization project, NRF	100,000		100,000
10-D–903, Security upgrades, KAPL	12,900		12,900
Total, Construction	**148,300**	**0**	**148,300**
Total, Naval Reactors	**1,420,120**	**0**	**1,420,120**

SEC. 4701. DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS
(In Thousands of Dollars)

Program	FY 2017 Request	Senate Change	Senate Authorized
Federal Salaries And Expenses			
Program direction	412,817		412,817
Total, Office Of The Administrator	**412,817**	**0**	**412,817**
Defense Environmental Cleanup			
Closure sites:			
Closure sites administration	9,389		9,389
Hanford site:			
River corridor and other cleanup operations	69,755		69,755
Central plateau remediation	620,869		620,869
Richland community and regulatory support	14,701		14,701
Construction:			
15–D–401 Containerized sludge removal annex, RL	11,486		11,486
Total, Hanford site	**716,811**	**0**	**716,811**
Idaho National Laboratory:			
Idaho cleanup and waste disposition	359,088		359,088
Idaho community and regulatory support	3,000		3,000
Total, Idaho National Laboratory	**362,088**	**0**	**362,088**
Los Alamos National Laboratory			
EMLA cleanup activities	185,606	10,000	195,606
Program Increase		[10,000]	
EMLA community and regulatory support	3,394		3,394
Total, Los Alamos National Laboratory	**189,000**	**10,000**	**199,000**

NNSA sites			
Lawrence Livermore National Laboratory	1,396		1,396
Separations Process Research Unit	3,685		3,685
Nevada	62,176		62,176
Sandia National Laboratories	4,130		4,130
Total, NNSA sites and Nevada off-sites	**71,387**	**0**	**71,387**
Oak Ridge Reservation:			
OR Nuclear facility D & D			
OR Nuclear facility D & D	93,851		93,851
Construction:			
14–D–403 Outfall 200 Mercury Treatment Facility	5,100		5,100
Total, OR Nuclear facility D & D	**98,951**	**0**	**98,951**
U233 Disposition Program	37,311		37,311
OR cleanup and disposition	54,557		54,557
OR reservation community and regulatory support	4,400		4,400
Oak Ridge technology development	3,000		3,000
Total, Oak Ridge Reservation	**198,219**	**0**	**198,219**
Office of River Protection:			
Waste treatment and immobilization plant			
WTP operations	3,000		3,000
15–D–409 Low activity waste pretreatment system, ORP	73,000		73,000
01–D–416 A-D/ORP-0060 / Major construction	690,000		690,000
Total, Waste treatment and immobilization plant	**766,000**	**0**	**766,000**
Tank farm activities			
Rad liquid tank waste stabilization and disposition	721,456		721,456
Total, Tank farm activities	**721,456**	**0**	**721,456**
Total, Office of River protection	**1,487,456**	**0**	**1,487,456**
Savannah River sites:			
Nuclear Material Management	311,062		311,062
Environmental Cleanup	152,504		152,504
SR community and regulatory support	11,249		11,249

SEC. 4701. DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS
(In Thousands of Dollars)

Program	FY 2017 Request	Senate Change	Senate Authorized
Radioactive liquid tank waste:			
Radioactive liquid tank waste stabilization and disposition	645,332		645,332
Construction:			
15–D–402—Saltstone Disposal Unit #6, SRS	7,577		7,577
17–D–401—Saltstone Disposal Unit #7	9,729		9,729
05–D–405 Salt waste processing facility, Savannah River Site	160,000		160,000
Total, Construction	**177,306**	**0**	**177,306**
Total, Radioactive liquid tank waste	**822,638**	**0**	**822,638**
Total, Savannah River site	**1,297,453**	**0**	**1,297,453**
Waste Isolation Pilot Plant			
Operations and maintenance	257,188	10,000	267,188
Program increase		[10,000]	
Construction:			
15–D–411 Safety significant confinement ventilation system, WIPP	2,532		2,532
15–D–412 Exhaust shaft, WIPP	2,533		2,533
Total, Construction	**5,065**	**0**	**5,065**
Total, Waste Isolation Pilot Plant	**262,253**	**10,000**	**272,253**
Program direction	290,050		290,050
Program support	14,979		14,979
Safeguards and Security	255,973		255,973
Technology development	30,000		30,000
Infrastructure recapitalization	41,892		41,892
Defense Uranium enrichment D&D	155,100	–155,100	0
Program decrease		[–155,100]	
Total, Defense Environmental Cleanup	**5,382,050**	**–135,100**	**5,246,950**

Other Defense Activities			
Environment, health, safety and security			
Environment, health, safety and security	130,693		130,693
Program direction	66,519		66,519
Total, Environment, Health, safety and security	**197,212**	**0**	**197,212**
Independent enterprise assessments			
Independent enterprise assessments	24,580		24,580
Program direction	51,893		51,893
Total, Independent enterprise assessments	**76,473**	**0**	**76,473**
Specialized security activities	237,912		237,912
Office of Legacy Management			
Legacy management	140,306		140,306
Program direction	14,014		14,014
Total, Office of Legacy Management	**154,320**	**0**	**154,320**
Defense-related activities			
Defense related administrative support			
Chief financial officer	23,642		23,642
Chief information officer	93,074		93,074
Project management oversight and Assessments	3,000		3,000
Total, Defense related administrative support	**116,716**	**0**	**116,716**
Office of hearings and appeals	5,919		5,919
Subtotal, Other defense activities	**791,552**	**0**	**791,552**
Total, Other Defense Activities	**791,552**	**0**	**791,552**

DIVISION E—UNIFORM CODE OF MILITARY JUSTICE REFORM

Short title (Sec. 5001)

TITLE LI—GENERAL PROVISIONS

Definitions (sec. 5101)

The committee recommends a provision that would amend section 801 of title 10, United States Code, (Article 1, Uniform Code of Military Justice (UCMJ)) to amend the definition of "judge advocate"; to reflect the change within the Department of the Air Force from the "Judge Advocate General's Department" to the "Judge Advocate General's Corps"; and to amend the definition of "military judge" to conform to the proposed changes in Article 30a of the Uniform Code of Military Justice (10 U.S.C. 830a) allowing military judges to address certain matters prior to referral of charges.

Clarification of persons subject to UCMJ while on inactive-duty training (sec. 5102)

The committee recommends a provision that would amend section 802 of title 10, United States Code, (Article 2, Uniform Code of Military Justice (UCMJ)) that would clarify jurisdiction for reserve component members during time periods incidental to Inactive-Duty Training (IDT).

Staff judge advocate disqualification due to prior involvement in case (sec. 5103)

The committee recommends a provision that would amend section 806 of title 10, United States Code, (Article 6, Uniform Code of Military Justice (UCMJ)) to modify the provision under Article 6(c) that disqualifies certain individuals from acting as a staff judge advocate or legal officer to any reviewing authority to include appellate judges, and counsel who have participated in the same case, including special victims' counsel, in any proceeding before a military judge, preliminary hearing officer, or appellate court, among those disqualified.

Conforming amendment relating to military magistrates (sec. 5104)

The committee recommends a provision that would amend section 806a of title 10, United States Code, (Article 6a, Uniform Code of Military Justice (UCMJ)) to conform Article 6a with the provision to allow the detailing of military magistrates to proceedings under Article 30a and to add "military magistrates" to the list of officials whose fitness to perform duties shall be subject to inves-

tigation and disposition under regulations prescribed by the President.

Rights of victim (sec. 5105)

The committee recommends a provision that would amend section 806b of title 10, United States Code, (Article 6b, Uniform Code of Military Justice (UCMJ)) to clarify the relationship between the rights of victims and the disposition of offenses, as well as the procedures for judicial appointment of individuals to assume the rights of certain victims. The provision would modify Article 6b to incorporate procedures on defense counsel interviews of victims of sex-related offenses into Article 6b and would extend those procedures to victims of all offenses, consistent with related victims' rights provisions.

TITLE LII—APPREHENSION AND RESTRAINT

Restraint of persons charged (sec. 5121)

The committee recommends a provision that would amend section 810 of title 10, United States Code, (Article 10, Uniform Code of Military Justice (UCMJ)) to conform the language of the section to reflect current military justice practice regarding the arrest or confinement of an individual who is charged with an offense under the UCMJ. Additionally, it would amend Article 10 to require forwarding of charges and, when applicable, the preliminary hearing report, whenever a person is ordered into arrest or confinement before trial.

Modification of prohibition of confinement of members of the Armed Forces with enemy prisoners and certain others (sec. 5122)

The committee recommends a provision that would amend section 812 of title 10, United States Code, (Article 12, Uniform Code of Military Justice (UCMJ)) to limit the prohibition on confining military members with foreign nationals to situations where the foreign nationals are not members of the U.S. Armed Forces and are detained under the law of war.

TITLE LIII—NON-JUDICIAL PUNISHMENT

Modification of confinement as non-judicial punishment (sec. 5141)

The committee recommends a provision that would amend section 815 of title 10, United States Code, (Article 15, Uniform Code of Military Justice (UCMJ)) to remove punishment in the form of confinement on a diet limited to bread and water from the list of authorized punishments.

TITLE LIV—COURTS-MARTIAL JURISDICTION

Courts-martial classified (sec. 5161)

The committee recommends a provision that would amend section 816 of title 10, United States Code, (Article 16, Uniform Code of Military Justice (UCMJ)) to establish standard panel sizes in all courts-martial: 8 members in a general court-martial (subject to the requirements of Article 25a in capital cases), and 4 members in a special court-martial. The provision would require a military judge to be detailed to all special courts-martial and would provide the military justice system with an option for a judge-alone trial by special court-martial, with confinement limited to 6 months or less, as reflected in the proposed changes to Article 19.

Jurisdiction of general courts-martial (sec. 5162)

The committee recommends a provision that would amend section 818 of title 10, United States Code, (Article 18, Uniform Code of Military Justice (UCMJ)) to conform Article 18 to the proposed changes to Article 16 concerning the types of general courts-martial and the proposed changes to Article 56 concerning sex-related offenses.

Jurisdiction of special courts-martial (sec. 5163)

The committee recommends a provision that would amend section 819 of title 10, United States Code, (Article 19, Uniform Code of Military Justice (UCMJ)) to conform to the proposal in Article 16 that would authorize special courts-martial to be referred for trial by military judge-alone, and to authorize a military judge to designate a military magistrate to preside over trials, and to conform to current practice requiring a military judge, qualified defense counsel, and a recorder at every special court-martial.

Summary court-martial as non-criminal forum (sec. 5164)

The committee recommends a provision that would amend section 820 of title 10, United States Code, (Article 20, Uniform Code of Military Justice (UCMJ)) by adding a new subsection defining the summary court-martial as a non-criminal forum and clarifying that a finding of guilty at a summary court-martial does not constitute a criminal conviction.

TITLE LV—COMPOSITION OF COURTS-MARTIAL

Technical amendment relating to persons authorized to convene general courts-martial (sec. 5181)

The committee recommends a provision that would amend section 822 of title 10, United States Code, (Article 22, Uniform Code of Military Justice (UCMJ)) by removing the words "in chief" to reflect the current terminology for the commander of a naval fleet.

Who may serve on courts-martial and related matters (sec. 5182)

The committee recommends a provision that would amend section 825 of title 10, United States Code, (Article 25, Uniform Code of Military Justice (UCMJ)) to permit convening authorities to detail enlisted personnel to court-martial panels, subject to the accused's ability to specifically elect an all-officer panel, under the same rules and procedures with which an accused may elect one-third enlisted panel membership; to remove the statutory prohibition against detailing enlisted members to courts-martial who are from the same unit as an enlisted accused; and to conform to the proposed amendments to Article 29 concerning impaneling of members.

Number of court-martial members in capital cases (sec. 5183)

The committee recommends a provision that would amend section 825a of title 10, United States Code, (Article 25a, Uniform Code of Military Justice (UCMJ)) to require a fixed-size panel of twelve members in capital cases.

Detailing, qualifications, and other matters relating to military judges (sec. 5184)

The committee recommends a provision that would amend section 826 of title 10, United States Code, (Article 26, Uniform Code of Military Justice (UCMJ)) to conform the section to the current practice of detailing a military judge to every general and special court-martial; to provide for cross-service detailing of military judges; to require a chief trial judge in each armed force; and to provide appropriate criteria for service as a military judge. The provision would also authorize the President to establish uniform regulations concerning minimum tour lengths for military judges with provisions for early reassignment as necessary.

Qualifications of trial counsel and defense counsel (sec. 5185)

The committee recommends a provision that would amend section 827 of title 10, United States Code, (Article 27, Uniform Code of Military Justice (UCMJ)) to disqualify appellate judges who have participated as trial counsel in the same case. The provision would require that all defense counsel detailed to general or special courts-martial must be qualified under Article 27(b), and all trial counsel and assistant trial counsel detailed to special courts-martial, and all assistant trial counsel detailed to general courts-martial, must be determined to be competent to perform such duties under regulations prescribed by the President. The provision would also require, to the greatest extent practicable, at least one defense counsel detailed for a court-martial in a case in which the death penalty may be adjudged shall be learned in the law applicable to capital cases.

Assembly and impaneling of members and related matters (sec. 5186)

The committee recommends a provision that would amend section 829 of title 10, United States Code, (Article 29, Uniform Code of Military Justice (UCMJ)) to clarify the function of assembly and impanelment in general and special courts-martial with members, and the limited situations in which members may be absent from the court-martial after assembly; to provide for the impaneling of 12 members in a capital general court-martial, 8 members in a non-capital general court-martial, and 4 members in a special court-martial; to authorize (but not require) the convening authority to direct the use of alternate members; and to authorize non-capital general courts-martial to proceed with a minimum of 6 members if one or more members are excused for good cause after the members have been impaneled. It would further amend Article 29 to clarify that a newly-detailed court-martial member or military judge may consider the record of previously admitted evidence through the use of an electronic or other similar recording.

Military magistrates (sec. 5187)

The committee recommends a provision that would amend chapter 47 of title 10, United States Code, to add a new section 826a (Article 26a of the Uniform Code of Military Justice (UCMJ)) to establish the minimum qualifications for military magistrates, and to provide that military magistrates may be assigned under service regulations to perform duties other than those described under Articles 19 and 30a.

TITLE LVI—PRE-TRIAL PROCEDURE

Charges and specifications (sec. 5201)

The committee recommends a provision that would amend section 830 of title 10, United States Code, (Article 30, Uniform Code of Military Justice (UCMJ)) to reorganize the section into three subsections: (a) to provide the mode of preferring charges and specifications and the oath requirement; (b) to provide the required statement of the person who signs the charges; and (c) to prescribe the duty of a proper authority to notify the accused of the charges and to dispose of them in the interest of justice and discipline. The provision would amend Article 30 to clarify the sequence of the notification and disposition requirements and to require that both actions take place as soon as practicable.

Proceedings conducted before referral (sec. 5202)

The committee recommends a provision that would amend chapter 47 of title 10, United States Code, to add a new section 830a (Article 30a of the Uniform Code of Military Justice (UCMJ)) to provide statutory authority for military judges or magistrates to provide timely review, prior to referral of charges, of certain matters currently subject to judicial review only on a delayed basis at trial.

Preliminary hearing required before referral to general court-martial (sec. 5203)

The committee recommends a provision that would amend section 832 of title 10, United States Code, (Article 32, Uniform Code of Military Justice (UCMJ)) to require the preliminary hearing officer to provide an analysis of information that will be useful in fulfilling the statutory responsibilities of the staff judge advocate, in providing legal determinations and a disposition recommendation to the convening authority under Article 34; and to assist the convening authority, in disposing of the charges and specifications in the interest of justice and discipline.

Disposition guidance (sec. 5204)

The committee recommends a provision that would amend section 833 of title 10, United States Code, (Article 33, Uniform Code of Military Justice (UCMJ)) to move the requirement for prompt forwarding of charges in cases involving pretrial arrest or confinement from Article 33 to Article 10. The provision would require the Secretary of Defense, in consultation with the Secretary of Homeland Security, to establish non-binding guidance regarding factors that commanders, convening authorities, staff judge advocates, and judge advocates may take into account when exercising their duties

with respect to disposition of charges and specifications in the interest of justice and discipline.

Advice to convening authority before referral for trial (sec. 5205)

The committee recommends a provision that would amend section 834 of title 10, United States Code, (Article 34, Uniform Code of Military Justice (UCMJ)) to clarify the relationship between the staff judge advocate's advice under Article 34 and the general standard for disposition of charges and specifications under Article 30. The provision would require the convening authority to consult with a judge advocate before referral of charges to special courts-martial. The provision would clarify that formal corrections to the charges and specifications may be made before referral for trial in special court-martial as well as in general courts-martial.

Service of charges and commencement of trial (sec. 5206)

The committee recommends a provision that would amend section 835 of title 10, United States Code, (Article 35, Uniform Code of Military Justice (UCMJ)) to conform procedures for service of charges and waiting period requirements to current practice and other UCMJ articles.

TITLE LVII—TRIAL PROCEDURE

Duties of assistant defense counsel (sec. 5221)

The committee recommends a provision that would amend section 838 of title 10, United States Code, (Article 38, Uniform Code of Military Justice (UCMJ)) to require all defense counsel, including assistant defense counsel, to be qualified under Article 27(b), UCMJ.

Sessions (sec. 5222)

The committee recommends a provision that would amend section 839 of title 10, United States Code, (Article 39, Uniform Code of Military Justice (UCMJ)) to establish uniform requirements for arraignment by a military judge and to eliminate references to courts-martial without a military judge, and to conform to the provision under Article 53 to authorize judicial sentencing in all noncapital general courts-martial and all special courts-martial.

Technical amendment relating to continuances (sec. 5223)

The committee recommends a provision that would amend section 840 of title 10, United States Code, (Article 40, Uniform Code of Military Justice (UCMJ)) to eliminate references to courts-martial without a military judge, and to clarify that the authority to grant continuances extends to summary courts-martial.

Conforming amendments relating to challenges (sec. 5224)

The committee recommends a provision that would amend section 841 of title 10, United States Code, (Article 41, Uniform Code of Military Justice (UCMJ)) to conform the section with changes proposed to amend Article 16 concerning fixed panel sizes and to eliminate special courts-martial without a military judge.

Statute of limitations (sec. 5225)

The committee recommends a provision that would amend section 843 of title 10, United States Code, (Article 43, Uniform Code of Military Justice (UCMJ)) to extend the statute of limitations applicable to child abuse offenses from the current 5 years or the life of the child, whichever is longer, to 10 years or life of the child, whichever is longer. The provision would extend the statute of limitations for Article 83 fraudulent enlistment cases from 5 years to: (1) the length of the enlistment, in the case of enlisted members; (2) the length of the appointment, in the case of officers; or (3) 5 years, whichever is longer. The provision would extend the statute of limitations when DNA testing implicates an identified person in the commission of an offense by excluding periods prior to the DNA identification in computing the period of limitations.

Former jeopardy (sec. 5226)

The committee recommends a provision that would amend section 844 of title 10, United States Code, (Article 44, Uniform Code of Military Justice (UCMJ)) to more closely align double jeopardy protections under the UCMJ with federal civilian practice.

Pleas of the accused (sec. 5227)

The committee recommends a provision that would amend section 845 of title 10, United States Code, (Article 45, Uniform Code of Military Justice (UCMJ)) to permit an accused to plead guilty in capital cases where a sentence of death is not mandatory. The provision would delete the reference to a court-martial without a military judge. The provision would eliminate the need for separate service regulations authorizing entry of findings upon acceptance of a guilty plea. The provision would add a new subsection to provide for harmless error review in guilty plea cases.

Subpoena and other process (sec. 5228)

The committee recommends a provision that would amend section 846 of title 10, United States Code, (Article 46, Uniform Code of Military Justice (UCMJ)) to clarify authority to issue and enforce subpoenas for witnesses and other evidence, to allow subpoenas *duces tecum* to be issued for investigations of offenses under the UCMJ when authorized by a general court-martial convening authority, and to authorize military judges to issue warrants and orders for the production of stored electronic communications under the Stored Communications Act (sections 2701–2712 of chapter 121, title 18, United States Code). The provision would amend Article 46 by moving the provisions under subsection (b) concerning defense counsel interviews of victims of sex-related offenses to Article 6b and extend those provisions to victims of all offenses, consistent with related victims' rights provisions.

Refusal of person not subject to UCMJ to appear, testify, or produce evidence (sec. 5229)

The committee recommends a provision that would amend section 847 of title 10, United States Code, (Article 47, Uniform Code of Military Justice (UCMJ)) to provide that civilians who fail to comply with military subpoenas issued under Article 46, UCMJ, are guilty of an offense against the United States.

Contempt (sec. 5230)

The committee recommends a provision that would amend section 848 of title 10, United States Code, (Article 48, Uniform Code of Military Justice (UCMJ)) to authorize the contempt power for military judges and military magistrates detailed to pre-referral proceedings under the proposed Article 30a. The provision would also clarify that judges on the United States Court of Appeals for the Armed Forces and the service courts of criminal appeals do not have to be detailed to cases or proceedings in order to exercise the contempt power under this article. The provision would clarify that the president (as opposed to the judge) of a court of inquiry is vested with the contempt power, and would provide for appellate re-

view of contempt punishments consistent with the review of other orders and judgments under the UCMJ.

Depositions (sec. 5231)

The committee recommends a provision that would amend section 849 of title 10, United States Code, (Article 49, Uniform Code of Military Justice (UCMJ)) to conform the UCMJ with the language and function of Federal Rule of Criminal Procedure 15(a)(1), and to move the procedural aspects of Article 49 to Rules for Courts-Martial 702. The provision would clarify that a convening authority or a military judge may order depositions only if the requesting party demonstrates that, due to exceptional circumstances, it is in the interest of justice that the testimony of a prospective witness be preserved for use at a court-martial, military commission, court of inquiry, or other military court or board. The provision would clarify parties who may request a deposition, and require that, whenever practicable, depositions be taken before an impartial judge advocate. The provision would provide that: (1) representation of the parties with respect to a deposition shall be by counsel detailed in the same manner as trial counsel and defense counsel are detailed under Article 27; and (2) the accused shall have the right to be represented by civilian or military counsel in the same manner as such counsel are provided for in Article 38(b). The provision would clarify situations in which depositions may be used in military proceedings with a more direct reference to the military rules of evidence. The provision would amend the section to provide that testimony by deposition may be presented in capital cases only by the defense.

Admissibility of sworn testimony by audiotape or videotape from records of courts of inquiry (sec. 5232)

The committee recommends a provision that would amend section 850 of title 10, United States Code, (Article 50, Uniform Code of Military Justice (UCMJ)) to authorize sworn testimony from a court of inquiry to be played, in addition to read, into evidence in courts-martial and military commissions not established under section 948a, et seq., of title 10, United States Code, when it is otherwise admissible under the rules of evidence.

Conforming amendment relating to defense of lack of mental responsibility (sec. 5233)

The committee recommends a provision that would amend section 850a of title 10, United States Code, (Article 50a, Uniform Code of Military Justice (UCMJ)) to delete provisions pertaining to courts-martial without a military judge.

Voting and rulings (sec. 5234)

The committee recommends a provision that would amend section 851 of title 10, United States Code, (Article 51, Uniform Code of Military Justice (UCMJ)) to delete references pertaining to courts-martial without a military judge.

Votes required for conviction, sentencing, and other matters (sec. 5235)

The committee recommends a provision that would amend section 852 of title 10, United States Code, (Article 52, Uniform Code of Military Justice (UCMJ)) to require concurrence of at least three-fourths of the members present and to require concurrence of at least three-fourths of the members present on offenses in a case referred for trial as a capital case, where there was not a unanimous finding of guilty. The provision would eliminate the language concerning tie votes on challenges, motions, and other questions, which is applicable only to special courts-martial without a military judge, and which would no longer be necessary given the provision in Article 16 that would eliminate these members-only courts-martial. The provision would conform the statute to the proposal in Article 53 for judicial sentencing in all non-capital cases, and member sentencing in capital cases with respect to sentences of death and life without parole.

Findings and sentencing (sec. 5236)

The committee recommends a provision that would amend section 853 of title 10, United States Code, (Article 53, Uniform Code of Military Justice (UCMJ)) to require sentencing by a military judge in all non-capital general and special courts-martial. The provision would require that, in cases where the accused may be sentenced to death, the members shall participate in the sentence determination.

Plea agreements (sec. 5237)

The committee recommends a provision that would amend chapter 47 of title 10, United States Code to add a new section 853a (Article 53a, Uniform Code of Military Justice (UCMJ)) that would authorize: (1) construction and negotiation of charge and sentence agreements; (2) military judges to determine whether to accept a proposed plea agreement; and (3) the operation of sentence agreements with respect to the military judge's sentencing authority. The new Article 53a would provide that the military judge shall accept any lawful sentence agreement submitted by the parties, except that: (1) in the case of an offense with a sentencing parameter under Article 56, the military judge may reject the agreement only if it proposes a sentence that is both outside the sentencing parameter and plainly unreasonable; and (2) in the case of an offense without a sentencing parameter, the military judge may reject the agreement only if it proposes a sentence that is plainly unreasonable.

Record of trial (sec. 5238)

The committee recommends a provision that would amend section 854 of title 10, United States Code, (Article 54, Uniform Code of Military Justice (UCMJ)) to require certification of the record by a court reporter. The provision would require a complete record in any general or special court-martial if the sentence includes death, dismissal, discharge, or confinement or forfeitures of pay for more than 6 months. The provision would provide all victims who testify at a court-martial with access to records of trial.

TITLE LVIII—SENTENCES

Sentencing (sec. 5261)

The committee recommends a provision that would amend section 856 of title 10, United States Code, (Article 56, Uniform Code of Military Justice (UCMJ)) to replace the court-martial practice of "unitary" sentencing with "segmented" sentencing where, if confinement is adjudged for guilty findings, the amount of confinement for each guilty finding would be determined separately. The provision would also authorize segmented sentencing for fines. The provision would authorize sentencing parameters and criteria to provide guidance to military judges in determining an appropriate sentence and would authorize the United States to appeal a sentence to the Court of Criminal Appeals. The provision would incorporate Article 56a, authorizing a sentence of confinement for life without the eligibility of parole any time a life sentence is authorized, into Article 56 without substantive change.

Effective date of sentences (sec. 5262)

The committee recommends a provision that would amend section 857 of title 10, United States Code, (Article 57, Uniform Code of Military Justice (UCMJ)) to consolidate portions of Article 57 and 57a that govern deferment of sentences, and portions of Articles 57 and 71 that govern when sentences become effective into Article 57, as modified. The provision would make a conforming change to remove from Article 71 the authority for a convening authority to suspend a sentence under Article 71(d). The provision would strike Articles 57a and 71, because the authorities in those two Articles would be included in Article 57, as modified.

Sentence of reduction in enlisted grade (sec. 5263)

The committee recommends a provision that would amend section 858a of title 10, United States Code, (Article 58a, Uniform Code of Military Justice (UCMJ)) to authorize reduction of enlisted members to the grade of E–1 whenever the approved sentence of a court-martial includes a punitive discharge, confinement, or hard labor without confinement. The amendments would conform the section to the changes proposed in post-trial procedure under Article 60 and the proposed Article 60c.

Repeal of sentence reduction provision when interim guidance takes effect (sec. 5264)

The committee recommends a provision that would sunset section 856a of title 10, United States Code, (Article 56a, Uniform Code of Military Justice (UCMJ)) after sentencing parameters and criteria are established under Article 56.

TITLE LIX—POST-TRIAL PROCEDURE AND REVIEW OF COURTS-MARTIAL

Post-trial processing in general and special courts-martial (sec. 5281)

The committee recommends a provision that would amend section 860 of title 10, United States Code, (Article 60, Uniform Code of Military Justice (UCMJ)) to provide for the distribution of the trial results and to authorize post-trial motions to be filed with the military judge in general and special courts-martial.

Limited authority to act on sentence in specified post-trial circumstances (sec. 5282)

The committee recommends a provision that would amend chapter 47 of title 10, United States Code, to add a new section 860a (Article 60a, Uniform Code of Military Justice (UCMJ)) to consolidate current limitations on the convening authority's post-trial authority in most general and special courts-martial, subject to a narrowly limited suspension authority and a revised authority to adjust an adjudged sentence in cases where an accused provides substantial assistance in the investigation or prosecution of another person.

The provision would retain and clarify existing limitations on the convening authority's post-trial actions in general and special courts-martial in which: (1) the maximum sentence of confinement for any offense is more than 2 years; (2) adjudged confinement exceeds 6 months; (3) the sentence includes dismissal or discharge; or (4) the accused is found guilty of designated sex-related offenses. Under current law, the convening authority in such cases is prohibited from modifying the findings of the court-martial, or reducing, commuting, or suspending a punishment of death, confinement of more than 6 months, or a punitive discharge.

The provision would provide a limited suspension authority in specified circumstances. For the convening authority to exercise this authority, the military judge would be required to make a specific suspension recommendation in the Statement of Trial Results. The suspension authority would be limited to punishments of confinement in excess of 6 months and punitive discharges. The provision would retain, with clarifying amendments, the key features of current law with respect to the convening authority's power to reduce the sentence of an accused who assists in the prosecution or investigation of another person. As amended, the provision would authorize the President to prescribe rules providing for a convening authority to exercise this power after entry of judgment. This provision would allow for the reduction of a sentence of an accused who provides substantial assistance in the prosecution of another per-

son, even well after his own trial is over and appellate review is complete.

The provision would allow the accused and a victim of the offense to submit matters to the convening authority for consideration.

The provision would require the decision of the convening authority to be forwarded to the military judge. If the convening authority modified the sentence of the court-martial, the convening authority would be required to explain the reasons for the modification. An explanation for the convening authority's decision would only be required when the convening authority modifies the sentence. No approval of the findings or sentence would be required. The decision of the convening authority would be forwarded to the military judge, who would incorporate any change in the sentence into the entry of judgment. In a case where the accused provides substantial assistance and a designated convening authority reduces the sentence of the accused after entry of judgment, the convening authority's action would be forwarded to the chief trial judge, who would be responsible for ensuring appropriate modification of the entry of judgment. Because a modification might happen during or after the completion of appellate review, the modified entry of judgment would be forwarded to the Judge Advocate General for appropriate action.

Post-trial actions in summary courts-martial and certain general and special courts-martial (sec. 5283)

The committee recommends a provision that would amend chapter 47 of title 10, United States Code, to add a new section 860b (Article 60b of the Uniform Code of Military Justice (UCMJ)) that would clarify the convening authority's post-trial authorities and responsibilities with respect to the findings and sentence of summary courts-martial and a limited number of general and special courts-martial which, because of the offenses charged and the sentence adjudged, would not be covered under Article 60a. Consistent with existing law, the convening authority in such cases would be authorized to act on the findings and the sentence, and could order rehearings, subject to certain limitations. The procedural requirements under Article 60b, including consideration of matters submitted by the accused and victim, would be the same as provided in Article 60a. In summary courts-martial, the convening authority would be required to act on the sentence, and would have discretion to act on the findings, as under current law.

Entry of judgment (sec. 5284)

The committee recommends a provision that would amend chapter 47 of title 10, United States Code, to create a new section 860c (Article 60c of the Uniform Code of Military Justice (UCMJ)) that would require the military judge to enter the judgment of the court-martial into the record in all general and special courts-martial, and would mark the conclusion of trial proceedings. The judgment would reflect the Statement of Trial Results, any action by the convening authority on the findings or sentence, and any post-trial rulings by the military judge. The judgment also would indicate the time when the accused's case becomes eligible for direct appeal to a service court of criminal appeals under Article 66, or

for review by the Judge Advocate General under Article 65. This requirement for an entry of judgment is modeled after Federal Rules of Criminal Procedure 32(k). The findings and sentence of a summary court-martial, as modified by any post-trial action by the convening authority under Article 60b, would constitute the judgment of the court-martial.

Waiver of right to appeal and withdrawal of appeal (sec. 5285)

The committee recommends a provision that would amend section 861 of title 10, United States Code, (Article 61, Uniform Code of Military Justice (UCMJ)) to conform the section with proposed amendments to Articles 60, 65, and 69 concerning post-trial processing.

Appeal by the United States (sec. 5286)

The committee recommends a provision that would amend section 862 of title 10, United States Code, (Article 62, Uniform Code of Military Justice (UCMJ)) to authorize the government to appeal a decision when, upon defense motion, the military judge sets aside a panel's finding of guilty because of legally insufficient evidence, except in cases where such an appeal would violate Article 44's prohibitions on double jeopardy. The provision would align the rule of construction with the similar rule applicable to interlocutory appeals in federal civilian courts. The provision would amend Article 62 to conform to the proposed revisions to the review and appeal provisions under Articles 66 and 69.

Rehearings (sec. 5287)

The committee recommends a provision that would amend section 863 of title 10, United States Code, (Article 63, Uniform Code of Military Justice (UCMJ)) to remove the sentence limitation at a rehearing in cases in which an accused changes a plea from guilty to not guilty, or otherwise fails to comply with the terms of a pretrial agreement; or after a sentence is set aside based on a government appeal.

Judge advocate review of finding of guilty in summary court-martial (sec. 5288)

The committee recommends a provision that would amend section 864 of title 10, United States Code, (Article 64, Uniform Code of Military Justice (UCMJ)) to apply only to the initial review of summary courts-martial. Article 65, as amended, would provide for review of general and special courts-martial that do not qualify for direct review by the service courts of criminal appeals.

Transmittal and review of records (sec. 5289)

The committee recommends a provision that would amend section 865 of title 10, United States Code, (Article 65, Uniform Code of Military Justice (UCMJ)) to require that the record of trial be forwarded to appellate defense counsel for review whenever the case is eligible for an appeal under Article 66, and to require a review by the Judge Advocate General of all general and special court-martial cases not eligible for direct appeal under Article 66.

The provision would require a review of all general and special courts-martial cases that are eligible for an appeal under Article 66, but where appeal has been waived, withdrawn, or not filed.

Courts of Criminal Appeals (sec. 5290)

The committee recommends a provision that would amend section 866 of title 10, United States Code, (Article 66, Uniform Code of Military Justice (UCMJ)) to establish an appeal as of right in non-capital cases under the UCMJ, similar to the federal civilian appellate courts, and expand the opportunity for direct review of courts-martial convictions by the service courts of criminal appeals. The provision would provide statutory standards for factual sufficiency review, sentence appropriateness review, and review of excessive post-trial delay. The provision would provide the courts of criminal appeals with express authority to order a hearing, rehearing or remand for further proceedings as may be necessary to address a substantial issue.

Review by Court of Appeals for the Armed Forces (sec. 5291)

The committee recommends a provision that would amend section 867 of title 10, United States Code, (Article 67, Uniform Code of Military Justice (UCMJ)) to conform the section with proposed creation of an "entry of judgment" in Article 60c and related amendments to Articles 60 and 66. The provision would require the Judge Advocate General to notify the other Judge Advocates General prior to certifying a case for review by the Court of Appeals for the Armed Forces.

Supreme Court review (sec. 5292)

The committee recommends a technical amendment to section 867a of title 10, United States Code, (Article 67a, Uniform Code of Military Justice (UCMJ)).

The committee directs the Secretary of Defense, in consultation with the legislative, executive, and judicial branches of the United States Government, to provide a recommendation to the Committees on Armed Services of the House of Representatives and the Senate, within 180 days of enactment of this Act, to address whether servicemembers should be provided with the same level of access to the Supreme Court available to defendants in federal and state criminal proceedings, as well as in military commissions.

Review by Judge Advocate General (sec. 5293)

The committee recommends a provision that would amend section 869 of title 10, United States Code, (Article 69, Uniform Code of Military Justice (UCMJ)) to authorize an accused, after a decision is issued by the Office of the Judge Advocate General under Article 69, to apply for discretionary review by the Court of Criminal Appeals under Article 66. The Judge Advocates General would retain authority to certify cases for review by the appellate courts.

Appellate defense counsel in death penalty cases (sec. 5294)

The committee recommends a provision that would amend section 870 of title 10, United States Code, (Article 70, Uniform Code of Military Justice (UCMJ)) to require, to the greatest extent prac-

ticable, that in appeals of courts-martial in which the death penalty has been adjudged, at least one appellate defense counsel representing an accused must be learned in the law applicable to capital cases.

Authority for hearing on vacation of suspension of sentence to be conducted by qualified judge advocate (sec. 5295)

The committee recommends a provision that would amend section 872 of title 10, United States Code, (Article 72, Uniform Code of Military Justice (UCMJ)) to authorize a special court-martial convening authority to detail a judge advocate to conduct a vacation hearing.

Extension of time for petition for new trial (sec. 5296)

The committee recommends a provision that would amend section 873 of title 10, United States Code, (Article 73, Uniform Code of Military Justice (UCMJ)) to extend the time to file a petition for a new trial from 2 years to 3 years.

Restoration (sec. 5297)

The committee recommends a provision that would amend section 875 of title 10, United States Code, (Article 75, Uniform Code of Military Justice (UCMJ)) to require the President to establish rules governing the eligibility for pay and allowances during the period after a court-martial sentence is set aside or disapproved.

Leave requirements pending review of certain court-martial convictions (sec. 5298)

The committee recommends a provision that would amend section 876a of title 10, United States Code, (Article 76a, Uniform Code of Military Justice (UCMJ)) to conform Article 76a with proposed changes in Article 60 and the proposed new Article 60c, with no substantive changes. Article 76a currently authorizes the services, at their discretion, to place an accused on involuntary leave if the accused has been sentenced to an unsuspended punitive discharge or dismissal that has been approved by the convening authority.

TITLE LX—PUNITIVE ARTICLES

Reorganization of punitive articles (sec. 5301)

The committee recommends a provision that would transfer and redesignate certain articles of the Uniform Code of Military Justice within subchapter X of chapter 10 of title 10, United States Code.

Conviction of offense charged, lesser included offenses, and attempts (sec. 5302)

The committee recommends a provision that would amend section 879 of title 10, United States Code, (Article 79, Uniform Code of Military Justice (UCMJ)) to authorize the President to designate an authoritative, but non-exhaustive, list of lesser included offenses for each punitive article of the UCMJ in addition to judicially determined lesser included offenses.

Soliciting commission of offenses (sec. 5303)

The committee recommends a provision that would amend section 882 of title 10, United States Code, (Article 82, Uniform Code of Military Justice (UCMJ)) to consolidate the general solicitation offense under Article 134, the general article, with specific solicitation offenses under Article 82.

Malingering (sec. 5304)

The committee recommends a provision that would add a new section 883 to chapter 47 of title 10, United States Code, (Article 83, Uniform Code of Military Justice (UCMJ)) to establish the offense of malingering.

Breach of medical quarantine (sec. 5305)

The committee recommends a provision that would add a new section 884 to chapter 47 of title 10, United States Code, (Article 84, Uniform Code of Military Justice (UCMJ)) to establish the offense of breaking a medical quarantine.

Missing movement; jumping from vessel (sec. 5306)

The committee recommends a provision that would amend section 887 of title 10, United States Code, (Article 87, Uniform Code of Military Justice (UCMJ)) to include the offense of jumping from a vessel into the water.

Offenses against correctional custody and restriction (sec. 5307)

The committee recommends a provision that would add a new section 887b to chapter 47 of title 10, United States Code, (Article 87b, Uniform Code of Military Justice (UCMJ)) to establish the offense of violating various forms of custody and breaking restriction.

Disrespect toward superior commissioned officer; assault of superior commissioned officer (sec. 5308)

The committee recommends a provision that would amend section 889 of title 10, United States Code, (Article 89, Uniform Code of Military Justice (UCMJ)) to include the offense of assaulting a superior commissioned officer.

Willfully disobeying superior commissioned officer (sec. 5309)

The committee recommends a provision that would amend section 890 of title 10, United States Code, (Article 90, Uniform Code of Military Justice (UCMJ)) to remove the offense of assaulting a superior commissioned officer, which will be transferred to Article 89.

Prohibited activities with military recruit or trainee by person in position of special trust (sec. 5310)

The committee recommends a provision that would add a new section 893a to title 10, United States Code, (Article 93a, Uniform Code of Military Justice (UCMJ)) that would provide specific accountability for sexual misconduct committed by recruiters and trainers during the various phases within the recruiting and basic military training environments. Because of the unique nature of military training and the initial training environments among the services, the statute would authorize the service secretaries to publish regulations designating the types of physical intimacy that would constitute "prohibited sexual activity" under the new article. Article 93a would apply to military recruiters and trainers who knowingly engage in prohibited sexual activity with prospective recruits or junior members of the Armed Forces in initial training environments. Consent would not be a defense to this offense. Article 93a would address specific conduct and would not supersede or preempt service regulations governing professional conduct by staff involved in recruiting, entry level training, or other follow on training programs. The Secretary concerned may prescribe by regulation any additional initial career qualification training programs related to servicemembers that would be covered under this statute.

Offenses by sentinel or lookout (sec. 5311)

The committee recommends a provision that would amend section 895 of title 10, United States Code, (Article 95, Uniform Code of Military Justice (UCMJ)) to include the offense of loitering by sentinels or lookouts.

Disrespect toward sentinel or lookout (sec. 5312)

The committee recommends a provision that would add a new section 895a to chapter 47 of title 10, United States Code, (Article 95a, Uniform Code of Military Justice (UCMJ)) to establish the offense of disrespect toward sentinels or lookouts.

Release of prisoner without authority; drinking with prisoner (sec. 5313)

The committee recommends a provision that would amend section 896 of title 10, United States Code, (Article 96, Uniform Code

of Military Justice (UCMJ)) to include the offense of drinking liquor with a prisoner.

Penalty for acting as a spy (sec. 5314)

The committee recommends a provision that would amend section 903 of title 10, United States Code, (Article 103, Uniform Code of Military Justice (UCMJ)) to replace the mandatory death penalty currently prescribed with a discretionary death penalty similar to that authorized under existing Article 106a (Espionage) and for all other capital offenses under the Uniform Code of Military Justice.

Public records offenses (sec. 5315)

The committee recommends a provision that would add a new section 904 to chapter 47 of title 10, United States Code, (Article 104, Uniform Code of Military Justice (UCMJ)) to establish the offense of altering, concealing, removing, mutilating, obliterating, or destroying a public record.

False or unauthorized pass offenses (sec. 5316)

The committee recommends a provision that would add a new section 905a to chapter 47 of title 10, United States Code, (Article 105a, Uniform Code of Military Justice (UCMJ)) to establish false or unauthorized pass offenses.

Impersonation offenses (sec. 5317)

The committee recommends a provision that would add a new section 906 to chapter 47 of title 10, United States Code, (Article 106, Uniform Code of Military Justice (UCMJ)) to establish the offense of impersonating a commissioned, warrant, noncommissioned or petty officer, or an agent or official, and conform the article to the definition of "officer" in section 101(1) of title 10, United States Code.

Insignia offenses (sec. 5318)

The committee recommends a provision that would add a new section 906a to chapter 47 of title 10, United States Code, (Article 106a, Uniform Code of Military Justice (UCMJ)) to establish the offense of wearing unauthorized insignia, decorations, badges, ribbons, devices, or lapel buttons.

False official statements; false swearing (sec. 5319)

The committee recommends a provision that would amend section 907 of title 10, United States Code, (Article 107, Uniform Code of Military Justice (UCMJ)) to include the offense of false swearing.

Parole violation (sec. 5320)

The committee recommends a provision that would add a new section 907a to chapter 47 of title 10, United States Code, (Article 107a, Uniform Code of Military Justice (UCMJ)) to establish the offense of violating parole.

Wrongful taking, opening, etc. of mail matter (sec. 5321)

The committee recommends a provision that would add a new section 909a to chapter 47 of title 10, United States Code, (Article 109a, Uniform Code of Military Justice (UCMJ)) to establish the offense of wrongfully taking, opening, secreting, destroying, or stealing mail.

Improper hazarding of vessel or aircraft (sec. 5322)

The committee recommends a provision that would amend section 910, title 10, United States Code, (Article 110, Uniform Code of Military Justice (UCMJ)) to include the offense of improper hazarding of an aircraft.

Leaving scene of vehicle accident (sec. 5323)

The committee recommends a provision that would add a new section 911 to chapter 47 of title 10, United States Code, (Article 111, Uniform Code of Military Justice (UCMJ)) to establish the offense of fleeing the scene of an accident.

Drunkenness and other incapacitation offenses (sec. 5324)

The committee recommends a provision that would amend section 912 of title 10, United States Code, (Article 112, Uniform Code of Military Justice (UCMJ)) to include the offense of incapacitation for duty from drunkenness or drug use and drunk prisoner.

Lower blood alcohol content limits for conviction of drunken or reckless operation of a vehicle, aircraft, or vessel (sec. 5325)

The committee recommends a provision that would amend section 913 of title 10, United States Code, (Article 113, Uniform Code of Military Justice (UCMJ)) to lower the blood alcohol standard for conviction of drunken or reckless operation of a vehicle, aircraft, or vessel from 0.10 grams to 0.08 grams of alcohol per 100 milliliters of blood, and to allow service secretaries to prescribe lower levels of blood alcohol to convict if such lower limits are based on scientific developments as reflected in federal law of general applicability.

Endangerment offenses (sec. 5326)

The committee recommends a provision that would amend section 914 of title 10, United States Code, (Article 114, Uniform Code of Military Justice (UCMJ)) to include the offense of reckless endangerment, discharge of firearm/endangering human life, and carrying of a concealed weapon.

Communicating threats (sec. 5327)

The committee recommends a provision that would amend section 915 of title 10, United States Code, (Article 115, Uniform Code of Military Justice (UCMJ)) to include the offense of communicating a threat.

Technical amendment relating to murder (sec. 5328)

The committee recommends a provision that would amend section 918 of title 10, United States Code, (Article 118, Uniform Code

of Military Justice (UCMJ)) to strike the words "forcible sodomy" which has the effect of clarifying that forcible sodomy is included within the sexual offenses punishable under Article 120.

Child endangerment (sec. 5329)

The committee recommends a provision that would add a new section 919a to chapter 47 of title 10, United States Code, (Article 119, Uniform Code of Military Justice (UCMJ)) to establish the offense of child endangerment.

Rape and sexual assault offenses (sec. 5330)

The committee recommends a provision that would amend section 920 of title 10, United States Code, (Article 120, Uniform Code of Military Justice (UCMJ)) to amend the definition of "sexual act" in both Article 120 (rape and sexual assault generally) and Article 120b (rape and sexual assault of a child) to conform to the definition of that term in federal criminal law in the civilian sector, under section 2246(2)(A)–(C) of title 18, United States Code. The current definition of "sexual act" under Articles 120 and 120b is both overly broad (in that it captures non-sexual acts) and unduly narrow (in that it does not include all of the prohibited acts involving children listed in section 2246(2)(D)) of title 18.

The committee remains concerned about the crimes of sexual assault and rape where the assailant is in a position of authority over the victim. The committee expects that the use of rank, authority or position to commit a sexual assault or rape will be considered as an aggravating factor in the development of sentencing parameters under Article 56, UCMJ.

Deposit of obscene matter in the mail (sec. 5331)

The committee recommends a provision that would add a new section 920a to chapter 47 of title 10, United States Code, (Article 120a, Uniform Code of Military Justice (UCMJ)) to establish the offense of depositing, or causing to be deposited, obscene materials in the mails.

Fraudulent use of credit cards, debit cards, and other access devices (sec. 5332)

The committee recommends a provision that would add a new section 921a to chapter 47 of title 10, United States Code, (Article 121a, Uniform Code of Military Justice (UCMJ)) to establish the offense of misuse of credit cards, debit cards, and other electronic payment technology, also known as "access devices."

False pretenses to obtain services (sec. 5333)

The committee recommends a provision that would add a new section 921b to chapter 47 of title 10, United States Code, (Article 121, Uniform Code of Military Justice (UCMJ)) to establish the offense of obtaining services under false pretenses.

Robbery (sec. 5334)

The committee recommends a provision that would amend section 922 of title 10, United States Code, (Article 122, Uniform Code of Military Justice (UCMJ)) by removing the words "with the intent

to steal" from the section, eliminating the requirement to prove that the accused intended to permanently deprive the victim of his property.

Receiving stolen property (sec. 5335)

The committee recommends a provision that would add a new section 922a to chapter 47 of title 10, United States Code, (Article 122a, Uniform Code of Military Justice (UCMJ)) to establish the offense of knowingly receiving, buying, or concealing stolen property.

Offenses concerning Government computers (sec. 5336)

The committee recommends a provision that would add a new section 923 to chapter 47 of title 10, United States Code, (Article 123, Uniform Code of Military Justice (UCMJ)) to prohibit certain actions directed at U.S. Government computers and U.S. Government protected information.

Bribery (sec. 5337)

The committee recommends a provision that would add a new section 924a to chapter 47 of title 10, United States Code, (Article 124a, Uniform Code of Military Justice (UCMJ)) to establish the offense of bribery.

Graft (sec. 5338)

The committee recommends a provision that would add a new section 924b to chapter 47 of title 10, United States Code, (Article 124b, Uniform Code of Military Justice (UCMJ)) to establish the offense of graft.

Kidnapping (sec. 5339)

The committee recommends a provision that would add a new section 925 to chapter 47 of title 10, United States Code, (Article 125, Uniform Code of Military Justice (UCMJ)) to establish the offense of kidnapping.

Arson; burning property with intent to defraud (sec. 5340)

The committee recommends a provision that would amend section 926 of title 10, United States Code, (Article 126, Uniform Code of Military Justice (UCMJ)) to include the offense of burning with intent to defraud.

Assault (sec. 5341)

The committee recommends a provision that would amend section 928 of title 10, United States Code, (Article 128, Uniform Code of Military Justice (UCMJ)) to prescribe a standard that focuses on the malicious intent of the accused rather than the "likelihood" of the activity actually resulting in harm. The provision would also amend this section to include the offense of assault with intent to commit murder, voluntary manslaughter, rape, robbery, sodomy, arson, burglary, or housebreaking.

Burglary and unlawful entry (sec. 5342)

The committee recommends a provision that would amend section 929 of title 10, United States Code, (Article 129, Uniform Code

of Military Justice (UCMJ)) that would remove the "private dwelling" and "nighttime" elements of the offense, and to establish the offense of unlawful entry.

Stalking (sec. 5343)

The committee recommends a provision that would amend section 930 of title 10, United States Code, (Article 130, Uniform Code of Military Justice (UCMJ)) to establish the offenses of cyberstalking and threats to intimate partners. The provision would continue to address stalking activity involving a broad range of misconduct including, but not limited to, sexual offenses. The redesignated stalking offense would not preempt service regulations that specify additional types of misconduct that may be punishable at court-martial, including under Article 92 (failure to obey order or regulation), nor would it preempt other forms of misconduct from being prosecuted under other appropriate Articles, such as under Article 134, the general article. These uniquely military offenses are available to address similar misconduct that causes, for example, substantial emotional distress or targets professional reputation.

Subornation of perjury (sec. 5344)

The committee recommends a provision that would add a new section 931a to chapter 47 of title 10, United States Code, (Article 131a, Uniform Code of Military Justice (UCMJ)) to establish the offense of subornation of perjury.

Obstructing justice (sec. 5345)

The committee recommends a provision that would add a new section 931b to chapter 47 of title 10, United States Code, (Article 131b, Uniform Code of Military Justice (UCMJ)) to establish the offense of obstructing justice.

Misprision of serious offense (sec. 5346)

The committee recommends a provision that would add a new section 931c to chapter 47 of title 10, United States Code, (Article 131c, Uniform Code of Military Justice (UCMJ)) to establish the offense of misprision of serious offense.

Wrongful refusal to testify (sec. 5347)

The committee recommends a provision that would add a new section 931d to chapter 47 of title 10, United States Code, (Article 131d, Uniform Code of Military Justice (UCMJ)) to establish the offense of wrongful refusal to testify.

Prevention of authorized seizure of property (sec. 5348)

The committee recommends a provision that would add a new section 931e to chapter 47 of title 10, United States Code, (Article 131e, Uniform Code of Military Justice (UCMJ)) to establish the offense of prevention of authorized seizure of property.

Wrongful interference with adverse administrative proceeding (sec. 5349)

The committee recommends a provision that would add a new section 931g to chapter 47 of title 10, United States Code, (Article 131g, Uniform Code of Military Justice (UCMJ)) to establish the offense of wrongful interference with adverse administrative proceeding. The proceedings covered by this offense would include any administrative proceeding or action initiated against a servicemember that could lead to discharge, loss of special or incentive pay, administrative reduction in grade, loss of a security clearance, bar to reenlistment, or reclassification.

Retaliation (sec. 5350)

The committee recommends a provision that would add a new section 932 to chapter 47 of title 10, United States Code, (Article 132, Uniform Code of Military Justice (UCMJ)) that would prohibit retaliation against witnesses, victims, or persons who report or plan to report a criminal offense to law enforcement or military authority or a protected communication to appropriate authority. Article 132 would not preempt service regulations that specify additional types of retaliatory conduct that may be punishable at court-martial under Article 92 (failure to obey order or regulation), nor would it preempt other forms of retaliatory conduct from being prosecuted under other appropriate Articles, such as Article 109 (destruction of property), Article 93 (cruelty and maltreatment), Article 128 (Assault), Article 131b (obstructing justice), Article 130 (stalking), or Article 134, the General article.

Extraterritorial application of certain offenses (sec. 5351)

The committee recommends a provision that would amend section 934 of title 10, United States Code, (Article 134, Uniform Code of Military Justice (UCMJ)) to authorize prosecution under clause 3 of Article 134, of all non-capital federal crimes of general applicability, regardless of where the federal crime is committed. This change would make military practice uniform throughout the world and would align it with the Military Extraterritorial Jurisdiction Act, section 3261 of title 18, United States Code.

Subtitle LXI—Miscellaneous Provisions

Technical amendments relating to courts of inquiry (sec. 5401)

The committee recommends a provision that would amend section 935 of title 10, United States Code, (Article 135, Uniform Code of Military Justice (UCMJ)) to provide individuals employed by the Department of Homeland Security, the department under which the Coast Guard operates, the right to be designated as parties in interest when they have a direct interest in the subject of a court of inquiry convened under Article 135. This change would align the rights of employees of the Department of Homeland Security with the rights of employees of the Department of Defense, ensuring consistent application of this statute for all military services.

Technical amendment to Article 136 (sec. 5402)

The committee recommends a provision that would amend section 936 of title 10, United States Code, (Article 136, Uniform Code of Military Justice (UCMJ)) to remove, from the section heading, the authority to act as a notary which is not provided for in the text of the section.

Articles of Uniform Code of Military Justice to be explained to officers upon commissioning (sec. 5403)

The committee recommends a provision that would amend section 937 of title 10, United States Code, (Article 137, Uniform Code of Military Justice (UCMJ)) to require that officers, in addition to enlisted personnel, receive training on the UCMJ upon entry to service, and periodically thereafter. The amendment would require specific military justice training for military commanders and convening authorities, and would require the Secretary of Defense to prescribe regulations for additional specialized training on the UCMJ for combatant commanders and commanders of combined commands. The provision would also require the Secretary of Defense to maintain an electronic version of the UCMJ and the Manual for Courts-Martial that would be updated periodically and made available on the Internet for review by servicemembers and the public.

Military justice case management; data collection and accessibility (sec. 5404)

The committee recommends a provision that would add a new section 940a to title 10, United States Code, (Article 140a, Uniform Code of Military Justice (UCMJ)) that would require the Secretary of Defense to prescribe uniform standards and criteria for case processing and management, military justice data collection, production and distribution of records of trial, and access to case information. The purpose of this section is to enhance the management of military justice cases, to standardize the collection of data necessary for evaluation and analysis, and to provide appropriate public access to military justice information at all stages of court-martial proceedings. At a minimum, the system developed for implementation should permit timely and appropriate access to filings, objections, instructions, and judicial rulings at the trial and appellate level, and to actions at trial and in subsequent proceedings concerning the findings and sentences of courts-martial.

The provision would require promulgation of standards by the Secretary of Defense not later than 2 years after enactment of this Act, with an effective date for such standards not later than 4 years after enactment.

The committee expects that the system developed would provide comprehensive information to the public, including docket information and calendar for all court-martial proceedings open to the public; the location of proceedings, including instructions for members of the public to obtain access to the military installation; copies of official documents, redacted when appropriate, including the charge sheet, any motions and documents filed in connection with the proceeding, written rulings and opinions, and a summary of oral rulings; the results of trial; the authenticated record of the proceeding;

actions by the convening authority; briefs, answers, and motions filed by the parties and amici in military appellate proceedings; opinions of military appellate courts; results of reviews conducted by the Judge Advocates General; documents ordering remission, suspension, or vacation of any sentence; and any other information related to the proceeding that the Secretary of Defense determines should be available to the public.

Subtitle LXII—Military Justice Review Panel and Annual Reports

Military Justice Review Panel (sec. 5421)

The committee recommends a provision that would amend section 946 of title 10, United States Code, (Article 146, Uniform Code of Military Justice (UCMJ, or "the Code")) and retitle the section as "Military Justice Review Panel." The Military Justice Review Panel would replace the Code Committee and would be an independent, blue ribbon panel of experts tasked to conduct a periodic evaluation of military justice practices and procedures on a regular basis, thereby enhancing the efficiency and effectiveness of the UCMJ and the Code's implementing regulations.

The proposed Military Justice Review Panel would be composed of thirteen members. Each of the following officials would select one person to serve on the Panel: the Secretary of Defense (in consultation with the Secretary of Homeland Security), the Attorney General, the Judge Advocates General of the Army, Navy, Air Force, and Coast Guard, and the Staff Judge Advocate to the Commandant of the Marine Corps. The remaining members of the Panel would be selected by the Secretary of Defense based upon the recommendations of each of the following: the chairman and ranking minority member of the House Armed Services Committee and the Senate Armed Services Committee, the Chief Justice of the United States, and the Chief Judge of the U.S. Court of Appeals for the Armed Forces. The Secretary of Defense would designate one member as the Chair. The Panel would have a full-time staff.

The Panel would issue its first report 4 years after the effective date of the Act, focusing on the implementation of any recent amendments to the UCMJ and Manual for Courts-Martial. 8 years after the effective date of the Act, the Panel would issue its first comprehensive review of the UCMJ and Manual for Courts-Martial. Thereafter, the Panel would issue comprehensive reports every 8 years. Within each 8-year cycle, the Panel would issue targeted reports at the mid-point of each cycle, and could issue additional reports on matters referred to the Panel by the Secretary of Defense or Congress.

This provision is based on the committee's determination that periodic review needs to be scheduled on a regular basis, but that it should not be so frequent that the constant process of review and change becomes more disruptive than helpful to judges and lawyers who must have a degree of stability in order to engage in effective practice. Accordingly, the comprehensive reviews are scheduled on an 8-year schedule.

This provision reflects the committee's expectation that the Joint Service Committee will continue to conduct its vital role within the

executive branch, addressing the type of targeted adjustments in law and regulation that are required on a more frequent basis to address specific issues in the law.

Annual reports (sec. 5422)

The committee recommends a provision that would add a new section 946a to title 10, United States Code, (Article 146a, Uniform Code of Military Justice (UCMJ)) that would retain the valuable informational aspects of the annual reports issued individually by the Court of Appeals for the Armed Forces, the Judge Advocates General, and the Staff Judge Advocate to the Commandant of the Marine Corps. The committee expects that the individual reports will be compiled into a single volume using the procedures currently employed, to create a consolidated report.

Subtitle LXIII—Conforming Amendments and Effective Dates

Amendments to UCMJ subchapter tables of sections (sec. 5441)

The committee recommends a provision that would make conforming amendments to the tables of sections for specified subchapters of chapter 47 of title 10, United States Code (the Uniform Code of Military Justice).

Effective dates (sec. 5442)

The committee recommends a provision by which the amendments made by this title shall take effect on the first day of the first calendar month that begins 2 years after the date of enactment of this Act.

LEGISLATIVE REQUIREMENTS

Departmental Recommendations

On April 19, 2016, Senator McCain, with concurrence from Senator Reed, introduced by request the Administration's proposed National Defense Authorization Act for Fiscal Year 2017. This bill—S. 2814—was introduced for the purpose of placing the Administration's proposals before Congress and the public without expressing the views of Senators McCain or Reed on the substance of those proposals. In accordance with past practice, the committee reported an original bill rather than acting on S. 2814.

Committee Action

The committee vote to report the National Defense Authorization Act for Fiscal Year 2017 passed by roll call vote, 23–3, as follows: In favor: Senators McCain, Inhofe, Sessions, Wicker, Ayotte, Cotton, Rounds, Ernst, Tillis, Sullivan, Graham, Reed, Nelson, McCaskill, Manchin, Shaheen, Gillibrand, Blumenthal, Donnelly, Hirono, Kaine, King, and Heinrich. Opposed: Senators Fischer, Lee, and Cruz

The other 22 roll call votes on motions and amendments to the bill which were considered during the course of the full committee markup are as follows:

1. MOTION: To conduct full committee markup of the National Defense Authorization Act for Fiscal Year 2017 in closed session because of classified and proprietary information expected to be discussed.

VOTE: Passed by roll call vote 16–10

In favor: Senators McCain, Inhofe, Sessions, Wicker, Fischer, Cotton, Rounds, Tillis, Sullivan, Graham, Reed, Nelson, Manchin, Donnelly, Hirono, and King

Opposed: Senators Ayotte, Ernst, Lee, Cruz, McCaskill, Shaheen, Gillibrand, Blumenthal, Kaine, and Heinrich

2. MOTION: To strike provisions related to Pentagon reform and replace with a commission to study what reforms should be implemented in the Department of Defense.

VOTE: Failed by roll call vote 10–16

In favor: Senators Reed, Nelson, Shaheen, Gillibrand, Blumenthal, Donnelly, Hirono, Kaine, King, and Heinrich

Opposed: Senators McCain, Inhofe, Sessions, Wicker, Ayotte, Fischer, Cotton, Rounds, Ernst, Tillis, Sullivan, Lee, Graham, Cruz, McCaskill, and Manchin

3. MOTION: To include a provision that would require the Secretary of Defense to furnish athletic footwear that complies with section 2533a of title 10, United States Code, directly to members of the Army, Navy, Air Force, and Marine Corps instead of providing a cash allowance.

VOTE: Passed by roll call vote 15–11

In favor: Senators Ayotte, Rounds, Sullivan, Graham, Reed, Nelson, Manchin, Shaheen, Gillibrand, Blumenthal, Donnelly, Hirono, Kaine, King, Heinrich

Opposed: Senators McCain, Inhofe, Sessions, Wicker, Fischer, Cotton, Ernst, Tillis, Lee, Cruz, and McCaskill

4. MOTION: To include a provision that would require the Secretary of Defense to eliminate the development and fielding of Armed-Force-specific combat and camouflage utility uniforms and families of uniforms in order to adopt and field a common combat and camouflage utility uniform or family of uniforms for specific combat environments to be used by all members of the Armed Forces no later than October 1, 2019.

VOTE: Failed by roll call vote 12–14

In favor: Senators Reed, Nelson, McCaskill, Manchin, Shaheen, Gillibrand, Blumenthal, Donnelly, Hirono, Kaine, King, and Heinrich

Opposed: Senators McCain, Inhofe, Sessions, Wicker, Ayotte, Fischer, Cotton, Rounds, Ernst, Tillis, Sullivan, Lee, Graham, and Cruz

5. MOTION: To include a provision that would prohibit the Secretary of Defense from using any funds to invite, assist, or otherwise assure the participation of the Government of Cuba in any joint or multilateral exercise or related security conference between the United States and Cuba until the Secretary, in coordination with the Director of National Intelligence, submits to Congress certain assurances.

VOTE: Passed by roll call vote 14–12

In favor: Senators McCain, Inhofe, Sessions, Wicker, Ayotte, Fischer, Cotton, Rounds, Ernst, Tillis, Sullivan, Lee, Graham, Cruz

Opposed: Senators Reed, Nelson, McCaskill, Manchin, Shaheen, Gillibrand, Blumenthal, Donnelly, Hirono, Kaine, King, and Heinrich

6. MOTION: Amendment changed provision to limit disclosure of the B–21 engineering and manufacturing development (EMD) contract award value to the congressional defense committees only, rather than full public disclosure.

VOTE: Passed by roll call vote 19–7

In favor: Senators Inhofe, Sessions, Wicker, Fischer, Rounds, Tillis, Lee, Reed, Nelson, McCaskill, Manchin, Shaheen, Gillibrand, Blumenthal, Donnelly, Hirono, Kaine, King, and Heinrich

Opposed: Senators McCain, Ayotte, Cotton, Ernst, Sullivan, Graham, Cruz

7. MOTION: To include a provision that would urge base commanders to allow servicemembers to attend the Accessing Higher Education Track at least one year prior to their date of separation as a consumer protection measure to prevent recruitment by predatory for-profit schools.

VOTE: Failed by roll call vote 10–15–1

In favor: Senators Reed, McCaskill, Shaheen, Gillibrand, Blumenthal, Donnelly, Hirono, Kaine, King, and Heinrich

Opposed: Senators McCain, Inhofe, Sessions, Wicker, Ayotte, Fischer, Cotton, Rounds, Ernst, Tillis, Sullivan, Lee, Graham, Cruz, and Manchin

No Instruction: Nelson

8. MOTION: To include a provision that would vest in the Chief of Staff of each of the Armed Forces the responsibility for establishing, approving, and modifying the criteria, standards, and qualifications for military specialty codes within that Armed Force.

VOTE: Passed by roll call vote 14–12

In favor: Senators McCain, Inhofe, Sessions, Wicker, Ayotte, Fischer, Cotton, Rounds, Ernst, Tillis, Sullivan, Lee, Graham, and Cruz

Opposed: Senators Reed, Nelson, McCaskill, Manchin, Shaheen, Gillibrand, Blumenthal, Donnelly, Hirono, Kaine, King, and Heinrich

9. MOTION: To eliminate an additional $70.0 million provided to the Department of Energy to continue construction of the MOX Fuel Fabrication Facility.

VOTE: Failed by roll call vote 7–18–1

In favor: Senators Inhofe, Sessions, Lee, Cruz, Reed, Nelson, and Manchin

Opposed: Senators McCain, Ayotte, Fischer, Cotton, Rounds, Ernst, Tillis, Sullivan, Graham, McCaskill, Shaheen, Gillibrand, Blumenthal, Donnelly, Hirono, Kaine, King, and Heinrich

No Instruction: Wicker

10. MOTION: To eliminate the word "limited" from the National Missile Defense Act of 1999.

VOTE: Passed by roll call vote 16–10

In favor: Senators McCain, Inhofe, Sessions, Wicker, Ayotte, Fischer, Cotton, Rounds, Ernst, Tillis, Sullivan, Lee, Graham, Cruz, Manchin, and Kaine

Opposed: Senators Reed, Nelson, McCaskill, Shaheen, Gillibrand, Blumenthal, Donnelly, Hirono, King, and Heinrich

11. MOTION: To strike a provision that would require the Secretary of Defense to conduct a pilot program on privatization of the defense commissary system.

VOTE: Failed by roll call vote 13–13

In favor: Senators Inhofe, Sessions, Ayotte, Rounds, Tillis, Nelson, Shaheen, Gillibrand, Blumenthal, Donnelly, Hirono, Kaine, and Heinrich

Opposed: Senators McCain, Wicker, Fischer, Cotton, Ernst, Sullivan, Lee, Graham, Cruz, Reed, McCaskill, Manchin, and King

12. MOTION: To strike sections from a provision that would require the Secretary of Defense to develop and implement a comprehensive strategy to optimize management practices across the defense commissary system and the exchange system.

VOTE: Failed by roll call vote 12–14

In favor: Senators Inhofe, Sessions, Ayotte, Rounds, Tillis, Nelson, Gillibrand, Donnelly, Hirono, Kaine, King, and Heinrich

Opposed: Senators McCain, Wicker, Fischer, Cotton, Ernst, Sullivan, Lee, Graham, Cruz, Reed, McCaskill, Manchin, Shaheen, and Blumenthal

13. MOTION: Motion to strike a provision to require women to register for the selective service beginning in January 1, 2018 and to prohibit court jurisdiction of claims regarding class of persons with a duty to register.

VOTE: Failed by roll call vote 7–19

In favor: Senators Inhofe, Sessions, Wicker, Cotton, Rounds, Lee, and Cruz

Opposed: Senators McCain, Ayotte, Fischer, Ernst, Tillis, Sullivan, Graham, Reed, Nelson, McCaskill, Manchin, Shaheen, Gillibrand, Blumenthal, Donnelly, Hirono, Kaine, King, and Heinrich

14. MOTION: To include a provision that would require National Guard units selected for the U.S. Army's Associated Units program to be funded at 100 percent level of authorized Active Guard and Reserve personnel.

VOTE: Failed by roll call vote 7–19

In favor: Senators Inhofe, Cotton, Tillis, Lee, Graham, Cruz, and Donnelly

Opposed: Senators McCain, Sessions, Wicker, Ayotte, Fischer, Rounds, Ernst, Sullivan, Reed, Nelson, McCaskill, Manchin, Shaheen, Gillibrand, Blumenthal, Hirono, Kaine, King, and Heinrich

15. MOTION: Amendment would have replaced provision that limits funding for an EC–130H Compass Call recapitalization program unless the Air Force conducts a full and open competition for the replacement aircraft, and instead provide committee approval for the Air Force to proceed with a new start program and acquire 10 Gulfstream G550 business class aircraft through a sole source acquisition strategy.

VOTE: Failed by roll call vote 10–16

In favor: Senators Wicker, Ayotte, Fischer, Tillis, Graham, Nelson, Shaheen, Hirono, Kaine, and King

Opposed: Senators McCain, Inhofe, Sessions, Cotton, Rounds, Ernst, Sullivan, Lee, Cruz, Reed, McCaskill, Manchin, Gillibrand, Blumenthal, Donnelly, and Heinrich

16. MOTION: To include a provision that would authorize the transfer of Department of Defense funds to the USAID for the purposes of countering violent extremism.

VOTE: Failed by roll call vote 12–14

In favor: Senators Reed, Nelson, McCaskill, Manchin, Shaheen, Gillibrand, Blumenthal, Donnelly, Hirono, Kaine, King, and Heinrich

Opposed: Senators McCain, Inhofe, Sessions, Wicker, Ayotte, Fischer, Cotton, Rounds, Ernst, Tillis, Sullivan, Lee, Graham, and Cruz

17. MOTION: To include a provision on the inapplicability of regulations limiting the sale or donation or property of the federal government for state and local enforcement activities unless enacted by Congress.

VOTE: Failed by roll call vote 13–13

In favor: Senators McCain, Inhofe, Sessions, Wicker, Ayotte, Fischer, Cotton, Rounds, Tillis, Sullivan, Graham, Cruz, and Donnelly

Opposed: Senators Ernst, Lee, Reed, Nelson, McCaskill, Manchin, Shaheen, Gillibrand, Blumenthal, Hirono, Kaine, King, and Heinrich

18. MOTION: To strike a provision regarding Department of Defense implementation of the Fair Pay and Safe Workplaces Executive Order

VOTE: Failed by roll call vote 10–16

In favor: Senators Reed, Nelson, McCaskill, Shaheen, Gillibrand, Blumenthal, Donnelly, Hirono, Kaine, and Heinrich

Opposed: Senators McCain, Inhofe, Sessions, Wicker, Ayotte, Fischer, Cotton, Rounds, Ernst, Tillis, Sullivan, Lee, Graham, Cruz, Manchin, and King

19. MOTION: To amend and enhance certain maritime programs of the Department of Transportation, and for other purposes.

VOTE: Failed by roll call vote 10–16

In favor: Senators Inhofe, Sessions, Wicker, Ayotte, Fischer, Cotton, Sullivan, Lee, Cruz, Nelson

Opposed: Senators McCain, Rounds, Ernst, Tillis, Graham, Reed, McCaskill, Manchin, Shaheen, Gillibrand, Blumenthal, Donnelly, Hirono, Kaine, King, and Heinrich

20. MOTION: To include a provision that would prohibit the transfer of detainees held at Guantanamo Bay to countries on which the State Department has issued a threat warning.

VOTE: Passed by roll call vote 16–10

In favor: Senators McCain, Inhofe, Sessions, Wicker, Ayotte, Fischer, Cotton, Rounds, Ernst, Tillis, Sullivan, Lee, Graham, Cruz, Manchin, and Donnelly

Opposed: Senators Reed, Nelson, McCaskill, Shaheen, Gillibrand, Blumenthal, Hirono, Kaine, King, and Heinrich

21. MOTION: To include a provision to modify section 2576a of title 10, United States Code, relating to the authority to transfer Department of Defense property for law enforcement activities.

VOTE: Passed by roll call vote 14–12

In favor: Senators Ernst, Lee, Reed, Nelson, McCaskill, Manchin, Shaheen, Gillibrand, Blumenthal, Donnelly, Hirono, Kaine, King, and Heinrich

Opposed: Senators McCain, Inhofe, Sessions, Wicker, Ayotte, Fischer, Cotton, Rounds, Tillis, Sullivan, Graham, and Cruz

22. MOTION: To include a provision that would prohibit lethal equipment assistance to the vetted Syrian opposition.

VOTE: Failed by roll call vote 4–22

In favor: Senators Lee, Cruz, Manchin, and Gillibrand

Opposed: Senators McCain, Inhofe, Sessions, Wicker, Ayotte, Fischer, Cotton, Rounds, Ernst, Tillis, Sullivan, Graham, Reed, Nelson, McCaskill, Shaheen, Blumenthal, Donnelly, Hirono, Kaine, King, and Heinrich

Congressional Budget Office Cost Estimate

It was not possible to include the Congressional Budget Office cost estimate on this legislation because it was not available at the time the report was filed. It will be included in material presented during Senate floor debate on the legislation.

Regulatory Impact

Paragraph 11(b) of rule XXVI of the Standing Rules of the Senate requires that a report on the regulatory impact of the bill be included in the report on the bill. The committee finds that there is no regulatory impact in the case of the National Defense Authorization Bill for Fiscal Year 2017.

Changes In Existing Law

Pursuant to the provisions of paragraph 12 of rule XXVI of the Standing Rules of the Senate, the changes in existing law made by certain portions of the bill have not been shown in this section of the report because, in the opinion of the committee, it is necessary to dispense with showing such changes in order to expedite the business of the Senate and reduce the expenditure of funds.

ADDITIONAL VIEWS

ADDITIONAL VIEWS OF MR. INHOFE

I voted in favor of the Fiscal Year 2017 National Defense Authorization Act (NDAA) approved by the Senate Armed Services Committee. It provides critical funding to improve the combat readiness of our military and support the service members and families who make countless sacrifices to serve our country. The bill takes significant steps to reform the Department of Defense, modernize the military health system, and reform the defense acquisition system to harness American innovation. During markup, we were able to address several concerns with the bill to include reorganization of the department and health care, but these changes must continue to be vetted both on the floor and in conference to ensure they enhance, not degrade combat readiness and support. I was pleased the committee included my amendments that require the Secretary of Defense to submit a plan to Government Accounting Office review before any action is taken to consolidate or realign the defense health care system. However, there are issues that still need to be resolved either with legislation on the Senate floor or during conference.

First, the readiness of our force must be addressed by the approval of additional funding. Our military readiness is at all-time lows, our modernization is not keeping pace with requirements, our military infrastructure is crumbling, and our force size is inadequate to meet growing worldwide threats. We must pass an amendment on the floor to increase funds or our military will not be able to meet ongoing national security requirements.

Second, I support provisions regarding Guantanamo Bay (Gitmo), Cuba, that prohibits the use of funds for transfer or release of Gitmo detainees to the United States, prohibits the use of funds to construct, close or modify Gitmo facilities, and prohibits the use of funds to transfer or release Gitmo detainees to Libya, Somalia, Syria or Yemen until Dec. 31st, 2017. I also support the prohibition of transferring a Gitmo detainee until the Secretary of Defense submits an unclassified report on the detainee's terrorist activities, affiliations, and actions taken against the United States or its allies. However, I do not support language in this bill that allows the transfer of these terrorist detainees from Gitmo to the United States for emergency medical treatment or the authority to use fund to design and plan construction or modification of facilities in United States or its territories or possessions to house Gitmo detainees. I plan to offer language to remove these authorizations as well as offer a bill that would require the Secretary of Defense to make the notice of transfer or release of any Gitmo detainee available to the public 21 days prior to the intended release date.

Third, I strongly disagree with legislation contained in this bill that would begin the process to privatize our military's commissary benefit, despite a congressionally directed study on the impacts of privatization not being completed. There are too many unknowns as to whether privatization could directly impact a military member's ability to provide for their families as well as the potential for it to affect retention. This is why in last year's NDAA, Congress voted to stop the ill-advised provision to begin privatization until the Defense Department conducted an assessment for the potential costs and benefits of such action. That report has not been completed, yet the Senate's NDAA includes language this year that takes another attempt at launching a pilot privatization program on five major military installations. I am committed to fighting this again on the Senate floor. I also intend to file an amendment that require the Secretary of Defense to look at varying Basic Allowance for Subsistence rates in response to the new commissary variable pricing plan.

Finally, I will work with my colleagues to eliminate burdensome restrictions on the sale or donation of excess defense property to State or local agencies for law enforcement activities and remove language in the NDAA that would require women to sign up for the draft.

JAMES M. INHOFE.

ADDITIONAL VIEWS OF MS. AYOTTE

The Senate Armed Services Committee (SASC) voted overwhelmingly to approve its version of the fiscal year (FY) 2017 National Defense Authorization Act (NDAA), again demonstrating the committee's bipartisan support for our men and women in uniform. This bill and associated report includes some provisions that I do not support. However, with our servicemembers in harm's way, I believe this bill as a whole is worthy of support.

As I have stated before and as many witnesses before our committee have testified, the United States confronts a growing and diverse range of threats, and yet the readiness of our armed forces has declined dangerously. This has occurred because our defense budget is based on artificial and insufficient budget caps rather than an objective assessment of the threats we confront and a clear-eyed determination of the military we need to protect our national security interests.

One of the most important priorities for Congress is to eliminate once and for all defense sequestration and the artificial budget caps that I opposed and that have increased the gap between the military we have and the military we need. Congress also has a responsibility to pass authorization and appropriation bills on time in order to give the Department of Defense (DoD) and defense suppliers the fiscal predictability required to ensure our troops have what they need to defend our country. I remain committed to working in a bipartisan manner to accomplish these objectives.

A–10

The A–10 aircraft has continued to perform exceptionally well in Iraq and Syria, providing uniquely effective close air support (CAS), combat search and rescue, and forward air controller (airborne) capabilities. As Secretary of Defense Ashton Carter said earlier this year, the A–10 "has been devastating ISIL from the air."

With the A–10 successfully attacking ISIL in Iraq and Syria and deterring aggression in Europe and the Korean peninsula, I am disappointed that the Air Force has continued to pursue its misguided efforts to prematurely divest the A–10. As General Joseph Dunford, the Chairman of the Joint Chiefs of Staff, said on March 22, 2016, "I absolutely believe that we need a transition plan, and there needs to be a replacement for the A–10 before it goes away."

That is why I am pleased that the committee has voted once again to prohibit the dangerous and premature divestment of the A–10 aircraft. Soldiers, special operators, and Joint Terminal Attack Controllers (JTACs) who understand CAS best say that the A–10 provides unique capabilities that cannot be replicated by any other aircraft in the department's inventory. They also say that the premature divestment of the A–10 before an equally or more capa-

ble CAS replacement reaches full operational capability will create a capability gap that would put our ground troops at risk.

When our ground troops are under fire and they call for help, we have an obligation to send them the best possible CAS. A failure to do so can mean the difference between life and death. That is why I will continue to fight to oppose the premature divestment of the A–10 before an equally or more capable CAS replacement achieves full operational capability.

Guantanamo Detainees

I am pleased that the SASC-passed NDAA includes provisions I have advocated for that will prohibit Guantanamo detainees from being transferred to the United States, prohibit the construction or modification of facilities in the United States to house Guantanamo detainees, and prohibit the closure of U.S. Naval Station Guantanamo. However, in light of the administration's refusal to provide the American people with even the most basic information regarding Guantanamo detainees, I am particularly pleased that the SASC-passed NDAA includes my amendment to require greater transparency regarding Guantanamo detainees before they can be transferred or released internationally.

In May 2009, President Obama said, "I ran for President promising transparency, and I meant what I said. And that's why, whenever possible, my administration will make all information available to the American people so that they can make informed judgements and hold us accountable." Unfortunately, when it comes to Guantanamo transfers, the administration has not honored that commitment.

Every time the administration releases or transfers a dangerous Guantanamo Bay detainee, the Pentagon issues a press statement that contains virtually no information. The only specific information released by the DoD to the public is the detainee's name and the name of the country to which the detainee will be released.

With more than 30 percent of former Guantanamo detainees suspected or confirmed of reengaging in terrorism and with the administration confirming that former Guantanamo detainees have killed Americans, the administration's lack of transparency with the American people regarding Guantanamo detainees is deeply troubling.

The administration does not provide important information regarding the detainee's previous terrorist activities, associations, or support for attacks on the United States and our allies. The American people do not even know if the former Guantanamo detainee will be detained or released by the host country.

Based on these concerns, last year I worked successfully to include Section 1037 in the final NDAA. Section 1037 requires that the Secretary of Defense provide an unclassified report to Congress that summarizes the terrorist activities and affiliations for detainees at Guantanamo.

In an April 4 letter to Secretary Carter, more than two months after the report was due by law, I wrote, "To be clear, if the administration refuses to provide the requested information in unclassified form—and instead conceals this information from the American people by placing it unnecessarily in a classified annex—that

will not comply with the law's intent and would be inconsistent with the President's stated commitment to transparency."

Unfortunately, when the report was finally submitted to Congress, that is exactly what DoD did. The department classified all of the substantive information ignoring the law and the whole purpose of the provision—transparency with the American people.

I recognize there are strongly held views regarding Guantanamo on both sides of the debate. The future of the detention facility at Guantanamo may be controversial, but the need to be forthright with the American people about Guantanamo detainees before they are released should not be controversial.

That is why I will continue to press the administration to be more forthcoming with the American people regarding the terrorist activities and affiliations of Guantanamo detainees and why I urge my colleagues to include this provision in the final bill.

Let our female servicemembers do their jobs

In October 2014, a detainee at Guantanamo who played an important role in planning the 9/11 attack filed a motion requesting that the military commission stop using female military guards as escorts. Despite the fact that a vast majority of Muslim detainees at Guantanamo expressed no similar objection, he complained that being touched by the female guards violated his religious beliefs. He was later joined in his motion by the four other members of the so-called "9/11 Five", including Khalid Shaikh Mohammed—the mastermind of 9/11.

In response, in January 2015, a military judge issued a temporary court order "limiting the use of female guards to physically touch the Accused during movements to and from attorney-client meetings and Commission hearings, absent exigent circumstances, until such time as the Commission makes a final ruling. . ."

When asked about this situation at Guantanamo, the former Commander of SOUTHCOM, General John Kelly, called this treatment of our female servicemembers "un-American", and Secretary of Defense Ashton Carter and General Joseph Dunford called it "outrageous."

I led a Congressional Delegation to Guantanamo last October to learn more. While we were there, we met with several of the female guards. These women trained hard to do their jobs and volunteered to serve at Guantanamo. Yet, these women serving in the military are being prevented from fully doing their jobs because those who planned and facilitated the 9/11 attacks have a problem with women.

These female servicemembers told us they can't believe that terrorists who murdered almost 3,000 people on U.S. soil are being allowed to dictate how U.S. service members do their jobs—simply because they are women. That is an insult to every woman who puts her life on the line to serve our country.

This situation has resulted in negative professional, operational, and morale impacts. The inability of female guards to fully perform their jobs has disadvantaged them in their evaluations and future promotions. Operationally, the women have to be pulled off duty rotations and soldiers have to be pulled from elsewhere to replace them. This has been particularly onerous given the time-consuming

security clearances required to work with the most dangerous detainees at Guantanamo. The order has also had a negative impact on morale. Understandably, the female guards have a hard time understanding how they can be denied the ability to serve in positions for which they are fully qualified and lawfully entitled—simply because they are women.

Members of the guard force—both males and females—submitted Equal Opportunity (EO) complaints, all of which were substantiated.

This amendment that I introduced along with Senator Lindsey Graham and that SASC voted to adopt would ensure that never again at Guantanamo or anywhere else in the United States military could a military commission prevent a qualified service member from doing their lawful duty simply based on their gender.

Military health care and compensation

While I believe this bill passed by the committee includes some positive and necessary health care reforms, I am concerned that the committee has voted to increase TRICARE enrollment fees, copayments, catastrophic caps, and deductibles and voted to deprive servicemembers of the full pay raise they deserve.

When Americans join the military, they agree to risk their lives and endure unique hardships on our behalf. Americans who make this choice do not expect to get rich, and they are certainly not looking for a handout. However, they do have a right to expect quality equipment, realistic training, reasonable compensation, and top-notch health care. Many service members joined the military with the reasonable expectation of receiving essentially free health care, only to unfortunately find themselves and their families paying more and more for health care as they continue to serve and then retire.

Those who seek to justify these increases in military health care expenses for servicemembers, retirees, and their families argue that (1) these increases are relatively modest; (2) artificial budget caps and increasing personnel costs make these increases necessary; and (3) health care provided to servicemembers and retirees remains among the most generous in the world. I would like to address each of these points.

While some argue that the increased fees are relatively modest, that is not the case—especially when the increases are considered on a cumulative basis. For example, under this bill, the TRICARE Select (currently TRICARE Prime) single and family enrollment fees for working age retirees would increase by about 24 percent. Plus, the SASC-passed bill would result in a new fee for TRICARE Choice (currently TRICARE Extra and Standard). Single enrollment would incur a $150 initial fee with increases of $60 per year, and family enrollment would incur a $300 initial fee with increases of $120 per year. Further, annual deductibles for active duty families and working-age retirees in TRICARE Choice would double, while catastrophic caps in a given year would increase by 50 percent for active duty families and 14 percent for working-age retirees. In addition, retail and mail order pharmacy copays for those who do not live near military hospitals or clinics would increase each year.

Many of these increases are not modest increases, and when they are considered cumulatively, they will likely have a significant and negative financial impact on many servicemembers, retirees, and their families.

To make matters worse, DoD requested and the committee authorized a 1.6 percent increase in military basic pay. As the department's budget proposal recognizes, this is less than the 2.1 percent increase under the formula in current law, which attempts to align military pay raises with the annual increase in the wages and salaries of private industry employees as measured by the Employment Cost Index (ECI).

While I am pleased that the committee has authorized a pay raise for those who sacrifice so much for our security and freedom, I am disappointed that the department did not request and the committee did not authorize a pay raise of 2.1 percent to at least keep pace with wages and salaries in the private sector.

There is no question that artificial budget caps that ignore the threats we face are forcing DoD and Congress to make difficult budget decisions—including in the areas of military compensation and health care. Within these misguided defense budget caps, it is also true that personnel costs risk crowding out necessary readiness investments related to weapons and training.

However, it is important to remember that Congress and the administration created and imposed these artificial budget caps, and therefore, Congress and the administration could eliminate them as well. I am proud that I voted against sequestration and have worked to end it once and for all. Unfortunately, Congress and the administration have failed to show the wisdom and courage to permanently eliminate the budget caps that are making us less safe and encouraging Congress and the administration to ask those who have already sacrificed so much for our freedom and security to sacrifice even more.

It is also worth pointing out that it is the job of Congress to look across the entire federal budget in order to establish funding priorities—maintaining or increasing funding in high priority areas and cutting funding that is less important. It is ridiculous to suggest that one of the first ways we should seek to balance our federal budget is by asking service members, military retirees, and their family members to pay more for their health care. If budgets reflect priorities, these proposed increases in military health care costs suggest that Congress's priorities need a dramatic readjustment.

Especially in light of continued DoD waste and inefficiency, it is a false choice to suggest that we must choose between providing servicemembers the compensation and health care they deserve and providing them the weapons and training they need. If there is not enough room within existing budgets to arm and train our troops as our national security interests require, while also providing them the compensation and health care they deserve, that once again demonstrates the insufficiency of the current defense budget.

Finally, some attempt to justify increases in health care costs by comparing military health care with civilian health care provided elsewhere. It is true that military health care in many cases is more generous than most civilian health care plans, but that is en-

tirely appropriate. Military service is uniquely difficult, valuable, and honorable, and the sacrifices service members and their family members voluntarily endure cannot be compared to any other profession. For those reasons, it is appropriate for them to expect—and necessary for Congress to provide—health care that is both generous and top-notch.

In order to ensure that our service members, retirees, and their family members have the weapons, training, compensation, and health care they deserve, I will continue to fight for a permanent repeal of the artificial budget caps. In the meantime, we should do everything in our power to provide the military compensation and health care that our service members, retirees, and their family members have earned. A failure to do so would not only be wrong, but it could also endanger the viability of the all-volunteer force.

KELLY AYOTTE.

ADDITIONAL VIEWS OF MR. KAINE

I wanted to provide additional views on the FY 2017 National Defense Authorization Act (NDAA). I voted to report the measure from the Senate Armed Services Committee (SASC), but I do have concerns regarding certain provisions in the bill.

I want to thank Senator McCain for championing the issue of DOD reform. There is no doubt in my mind that every member of the SASC is concerned about the ability of the Department to adapt and remain successful in today's security environment. I am also concerned with the appearance that the Department is mired in duplicative processes and complicated organizational designs. Many of the witnesses at several of our hearings attested to this, but they also provided insight into the process.

On November 10th, 2015 in front of a hearing by this Committee, Jim Thomas from the Center for Strategic and Budgetary Analysis said, "all of these ideas would require detailed analysis to fully understand their strengths and avoid outcomes that might inadvertently leave us worse off." At that same hearing we heard from James Locher, a former staff member of the Senate Armed Services Committee during the Goldwater-Nichols reform, who stated "pinpointing problems was the committee's sole focus for eighteen months. As part of this thorough process, the committee staff produced a 645-page staff study with detailed analyses of each problem area . . . a hasty reform without a deep appreciation for the origins of the behaviors that currently limit Pentagon effectiveness would be a mistake." Additional comments by witnesses like the Honorable David Walker, "there needs to be a fundamental review and reassessment of the current organizational structure and personnel practices," or Former Under Secretary of Defense Michele Flournoy, "it is imperative that we think through the second and third order effects of any changes proposed . . . great care should be taken to hear the full range of views and consider the unintended consequences," should have provided the necessary direction and caution to this committee to pursue a deliberative, well-researched and open approach.

While I have the utmost respect for the Committee's Professional Staff and have full confidence that they crafted legislation to try and address significant challenges at the Department, it is the responsibility of the members to vote the proposals into law. Despite the numerous hearings and countless witnesses, the only theme was that reform was needed with only conceptual suggestions. To date, no study has proposed the legislation contained within this bill. No civilian or military officials offered their views for consideration.

In the absence of a study, independent investigative work or views from outside stakeholders on these provisions due to the embargoed nature of the mark, I am just not sure whether these

changes are the right ones or not. Should we require the Chairman of the Joint Chiefs to consult with and seek the advice of others? Should the headquarters budget be reduced, like it was last year, by 25%? Is an additional 15% of staff adequate in a time of War or crisis? Will the new Under-Secretary for Research and Engineering make the Department's acquisition process run more efficiently? Last year we did not provide a pay increase to General Officers, this year we reduced their number by 25%. The combination of these two provisions makes me wonder whether we are doing all we can to cultivate the next Eisenhower, Halsey, Abrams or Dunford.

The reforms contained may be exactly what are needed, but the embargoed status prevents us from getting any outside opinion or expert analysis prior to our consideration and vote. I am not challenging the concept or need for reform, but instead the process that led us to this point. We can readily resolve this by empowering an appropriate study to ensure we are validating the proposals.

We made significant reforms empowering acquisition professionals to have greater flexibility and offer service chiefs greater ownership of their acquisition programs. We have also charged the Department with necessary authorities to "hire top talent" in an attempt to drive innovation. Many of us on this committee have demanded a more comprehensive military strategy in countering the myriad threats around the globe. In addition, this bill encourages numerous outreach and coordination programs with our Allies and Partners. These requests are not hollow or zero-sum. People are required to assist our service chiefs with acquisition programs. People develop more comprehensive doctrines and offset strategies. Hiring and retaining top-talent means just that.

What impact will the re-organization of the Department and significant changes in personnel policies have on our operations in the midst of a two-front Cold War and expanding conflict in the Middle East? Do we challenge the advice our Chairman of the Joint Chiefs is providing? How do we get "top talent" if each spring we re-organize and cut our Department of Defense workforce? How will a reduction in General and Flag officers impact current and future senior officers? What are the secondary effects to changes in Combatant Command responsibilities? How will our Allies and Adversaries interpret the reduction or disappearance of General officers in overseas billets? I submit that most of the members of this Committee do not know the answers to these questions, but we should get the answers before we vote in favor of these reforms.

I share the Chairman's desire to improve the organization and capability of the Department of Defense. I know he has reached a comfort level with the reform proposals contained within, that in time I may be able to accept. However, I am mindful of the cautions relayed by many of our witnesses. Each member of this committee has the solemn duty to cast their vote based on their confidence and understanding of these proposals. We should take our independent oversight responsibility very seriously. I do not believe that voting in favor of these proposals following a few days of "in-office" review of an embargoed product fulfills that responsibility. I remain committed to working with this committee in a bipartisan fashion and encourage my colleagues to seek a more measured and

informed approach to any legislation that has the potential to negatively impact the very Department we seek to improve.

I supported this bill out of committee so that it could be debated by the full Senate, hopefully with additional context of views and opinions by Defense experts.

TIM KAINE.

ADDITIONAL VIEWS OF MR. HEINRICH

The bill reported by the committee includes a provision adopted by amendment that would require the Secretary of Defense to grant unfettered access to military installations to any school that participates in the Department's tuition assistance program under the guise of providing "advising and support services" to students on that military installation. It is unclear as to why such advising and support cannot be provided off post, via video call capabilities almost universally available on smart phones, or by complying with current DOD regulations that affords access to military posts to such schools, so long as they go through the base commander and base education office. These regulations seem appropriate to ensure predatory recruiting practices are curtailed, which gave rise to those regulations in the first place.

A particularly troubling aspect of this language, in addition to requiring unfettered access, is that the language requires access to be granted in proportion to the number of students enrolled by each school. This would result in an outcome where public universities teaching on base will be required to have less access to base than those conducing online courses with high enrollment numbers. Current DOD regulations treat all schools the same; this unprecedented change will favor some over others and has the potential to incentivize predatory conduct. The more students you sign up, the greater your ability to sign up even more. Moreover, this appears to create a significant security concern for commanders.

I support the principle that schools should have access to their students for advisement purposes. But we must make sure we do not create security issues or unfair advantages for some schools over others, and that service members, especially junior members who use this benefit the most, are protected from recruiting practices that often do not have the service member's best interests at heart. I urge a thoughtful reconsideration of this provision during floor debate on the bill to ensure it does not inadvertently and unnecessarily put service members at risk.

MARTIN HEINRICH.

MINORITY VIEWS

MINORITY VIEWS OF MR. LEE AND MR. CRUZ

The 2017 National Defense Authorization Act passed by the Senate Armed Services Committee entails a broad range of reforms to the structure of Department of Defense, the Department's acquisitions process, and the military healthcare system. Chairman McCain, Ranking Member Reed, and the members of this committee should be commended for the thorough analysis of these issues that was undertaken over the past year, resulting in a determination that multiple reform efforts were required in order to preserve the military's technological and manpower advantages over potential adversaries. We believe that these concepts, which were written and debated in an embargoed process, should be carefully reviewed with military leaders and service organizations before enactment, to ensure that the implementation of each reform occurs without causing undue harm to the service members or their families.

However, we in good conscience cannot support the legislation passed by the committee due to the inclusion of language requiring women to register for Military Selective Service, and we have concerns regarding the process by which this issue has been handled by the committee. The Secretary of Defense's decision in December, 2015, to open all Military Occupational Specialties (MOS) to war fighters regardless of gender, will fundamentally alter the structure of combat forces. The Secretary has assured Congress that his policy change will improve the combat effectiveness of the military in the long-term and that each military service will uphold their rigorous physical standards across all combat MOSs.

In making this decision however, the Secretary of Defense did not undertake an exhaustive study of secondary consequences as Congress had desired, including any impact on the Military Selective Service Act (MSSA). In Rostker vs. Goldberg (1981), the Supreme Court determined that requiring only men to register for Selective Service was not a violation of the Constitution, in part, because the Department of Defense placed restrictions on women serving in combat occupations. The Secretary's reversal of this policy in 2015 has arguably put the constitutionality of the MSSA back into question.

This legal issue can be adjudicated in several ways: Congress could act to amend the MSSA in order to include both men and women, Congress could act to repeal the MSSA all together, or Congress could debate the matter and leave the MSSA unaltered. Additionally, the courts could adjudicate the constitutionality of the MSSA, striking it, remanding it for changes, or reinforcing the current policy.

The decision to compel women into possible combat service through the Selective Service is a different issue entirely than allowing women to voluntarily compete for an assignment in a combat MOS. We strongly believe that it is in the best interests of our national security and American society for this choice to be made by Congress, after an extensive review of the Selective Service system and military personnel requirements. In light of the fact that the decision whether or not to require women to register for the draft will in some way impact virtually every family in the United States, we further contend that the issue must be debated and adjudicated in the full and open view of the American public, not in a closed session of the Committee.

On these grounds, we respectfully oppose the legislation that was produced by the Committee and believe that this issue demands open and transparent debate on the floor of the Senate.

MIKE LEE AND TED CRUZ.

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