



H.R. 1735—National Defense Authorization Act for Fiscal Year 2016 (Rep. Thornberry, R-TX)

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FLOOR SCHEDULE: SCHEDULED FOR CONSIDERATION ON MAY 13, 2015 SUBJECT TO A RULE

NOTE: A separate Legislative Bulletin summarizing amendments ruled in order and any key vote alerts will be forthcoming.

TOPLINE SUMMARY: [H.R. 1735](#) (NDAA) would authorize \$515 billion in spending for national defense and an additional \$89.2 billion for Global War on Terror/Overseas Contingency Operations (OCO) for a total of \$604.2 billion. An additional \$7.7 billion is allocated for activities outside of the House Armed Services Committee jurisdiction. This proposal is consistent with the president’s budget for \$611.9 billion in defense discretionary spending. Within the OCO budget account, \$38.3 billion is allocated to operations and maintenance activities in support of base budget requirements.

CONSERVATIVE CONCERNS: Some conservatives have expressed concern regarding a provision related to Deferred Action for Childhood Arrivals (DACA). Specifically, some are concerned that the inclusion of DACA language in the underlying bill—inserted as an amendment during committee consideration—would effectively approve of the president’s action on DACA by requiring the Department of Defense to study how allowing individuals with DACA status into the recruiting pool would impact military readiness.

- **Expand the Federal Government?** No.
- **Encroach into State or Local Authority?** No.
- **Delegate Any Legislative Authority to the Executive Branch?** No.
- **Contain Earmarks/Limited Tax Benefits/Limited Tariff Benefits?** No.

DETAILED SUMMARY AND ANALYSIS: Highlights of the major provisions of note are included below:

Personnel:

- **Troop Pay:** The bill would supports a 2.3-percent military pay raise for Fiscal Year (FY) 2016, in accordance with current law, to ensure that military pay raises to keep pace with the pay increases in the private sector, as measured by the [Employment Cost Index](#).

COST: The Congressional Budget Office (CBO) and Joint Committee on Taxation (JCT) [estimate](#)—on a preliminary basis—that H.R. 1735 would reduce revenues by about \$1.3 billion over the 2018-2025 period. Several other provisions would change direct spending by less than \$500,000 over the 2016-2025 period.

Because the bill would affect revenues and direct spending, pay-as-you-go procedures apply.

CBO expects to update this estimate with a release of the bill’s discretionary spending effects.

- **Compensation and Benefits Reform:** The FY2016 NDAA has adopted 11 recommendations included in the [recommendations](#) of the [Military Compensation and Retirement Modernization Commission](#). Section 631 would modernize the current military retirement system by blending the current defined benefit, cliff-vesting retirement plan with a defined contribution plan allowing service members to contribute to a portable **Thrift Savings Plan** (TSP) account with a government contribution matching program. According to the committee, this program would allow the 83 percent of service members not eligible for military retirement to participate in a retirement plan within the confines of the TSP system. Currently serving personnel have the option of remaining grandfathered into the old system or choosing to participate in the new TSP option. The bill would also delay the implementation of these reforms until 2017 to the department and other relevant stakeholders time to weigh in. The NDAA also directs the Government Accountability Office (GAO) to review the nutritional programs available to Active Duty service members and their dependents to examine the adequacy of nutrition subsistence programs for military families, in light of the compensation commission's recommendation to disband the DOD's Family Subsistence Supplemental Allowances program and replace it with the Department of Agriculture's Supplemental Nutrition Assistance Program (SNAP). In response to the commission's concerns over the lengthy backlog of families waiting to receive military childcare benefits, the bill would direct the Secretary of Defense to reduce the backlog in half by the end of FY 2017 and provide mid-point progress reports to Congress. The bill also would establish a **Job Training and Post-Service Replacement Executive Committee** within the DOD-VA [Joint Executive Committee](#) for the purpose of supporting members of the armed forces who transition out of the military. The commission's findings indicated that current Space Available travel [regulations](#) only allow for spouses and children to visit troops on deployments longer than 120 days. The bill would allow dependents to visit troops on shorter deployments of 30 days or longer.
- **TRICARE:** The bill would authorize the Secretary of Defense and the Secretary of Veterans Affairs to jointly establish a [joint uniform formulary](#) for both of their respective departments that would include pharmaceutical agents critical for an individual's transition from treatment furnished by Department of Defense (DOD) to treatment furnished by the Department of Veterans Affairs (VA). The bill also would authorize the Secretary of Defense to conduct a pilot program starting in 2016 and terminating in 2018, to evaluate whether operating a network of preferred retail pharmacies would generate DOD cost savings. The pilot program would include but not be limited to best practices from non-TRICARE health plans that use preferred retail pharmacy networks.
- **Commissaries:** The bill would direct the Secretary of Defense to submit a report to Congress on the effects that Defense Commissary Agency's current proposal to limit second destination transportation funding and transport volume would have on the rates charged by the Transportation Working Capital Fund for transportation, especially to the Pacific region, as well as U.S. Transportation Command (USTRANSCOM)'s ability to maintain surge airlift capability through the Defense Transportation System. DOD is also mandated to include a review of possible efficiencies that could be realized in air transportation contracts dealing with second destination transportation funding.
- **Combatting Sexual Assault in the Military:** The bill includes proposals that would expand sexual assault prevention training to the Reserve Officers' Training Corps (ROTC) and Junior ROTC programs, to grant access to Special Victims Counsel for civilians who are victims of sexual assault, and to require the Department of Defense to enhance sexual assault prevention for male victims in the Armed Forces included in section 550. Section 549 of the bill would require the Secretary of Defense to establish a comprehensive strategy to prevent retaliation against members who report or intervene on behalf of sexual assault victims.
- **Deferred Action for Childhood Arrivals:** During H.R. 1735's markup, two provisions were passed out of committee concerning the recruitment of Deferred Action for Childhood Arrivals (DACA) status

individuals in the U.S. military. The first provision directs the Secretary of Defense to evaluate whether allowing those who are considered Deferred Action for Childhood Arrivals could expand the pool of potential recruits, and an estimation of how making eligible for enlistment of DACA applicants would impact military readiness. The Secretary of Defense is mandated to provide the results of the evaluation in a briefing to Congress no later than December 1, 2015. This [provision](#), sponsored by Rep. Veasey (D-TX) passed by a vote of [34 to 29](#). The [second provision](#) sponsored by Rep. Gallego (D-AZ) expresses the sense of the House of Representatives that that the Secretary of Defense should review [section 504 of title 10](#), United States Code, to determine whether individuals with Deferred Action for Childhood Arrivals may enlist in the Armed Forces. The amendment was passed during the bill's markup by a vote of [33 to 30](#). [NumbersUSA](#) has indicated they will oppose and score the NDAA if these provisions are included.

Readiness:

- **Readiness, Operations and Maintenance:** The bill would fully fund operations and maintenance (O&M) accounts for an [11th aircraft carrier](#) (USS *Gerald Ford*) and a 10th air wing. Aircraft carrier maintenance reset, and ship operations are also funded in the bill. The NDAA would authorize O&M for collective training exercises, which would allow for 19 Combat Training Center rotations for Army Brigade Combat Teams. It also would authorize additional Marine Corps resources to meet unfunded aviation readiness requirements, ensure adequate numbers of mission-capable aircraft, and provide additional Air Force training resources for high-demand areas such as unmanned systems pilots and joint terminal controllers. The bill fully funds Initial Entry Rotary training, and restores training funding to meet 100% of the flying hour program. Additionally, the NDAA would authorize \$7.683 billion for military construction; increasing funding above FY 2015 enacted levels for the purpose of addressing unfunded requirements and shortfalls cited by the DOD.
- **Overseas Contingency Operations:** The FY 2016 NDAA funds the president's request of \$50.9 billion for GWOT/OCO. The NDAA includes an additional \$38.3 billion for base requirements to comply with the Budget Control Act. These base requirements funded by OCO include O&M for airlift operations, combat support forces, combat communications, training support combatant commanders core operations, Army prepositioned stocks, and equipment maintenance.
- **Intelligence:** The bill would strengthen the DOD's ability to collect and analyze intelligence to support the needs of the Combatant Commanders and warfighters. In doing so, the bill (section 1629) would direct DOD to review the science and technology research and foreign material exploitation work being conducted by DOD intelligence elements and recommend any changes in order to identify redundancies. Section 1626 would prohibit the obligation or expenditure of 25 percent of the funds authorized for FY 2016 for the Office of the Under Secretary of Defense for Intelligence until the Secretary of Defense establishes the policy required by the FY2014 NDAA (Public Law 113-66). This policy requires the DOD to develop a written policy by June 24, 2014, governing the internal coordination and prioritization of intelligence priorities of the Office of the Secretary of Defense, the Joint Staff, the combatant commands, and the military departments to improve identification of DOD's intelligence needs.
- **Cybersecurity:** The NDAA would [fully resource](#) and authorizes the [U.S. Cyber Command](#) programs and activities, as well as all military service cyber programs and cyber science and technology initiatives in order to counter the growing threat of cyber-attacks. The bill also would improve the sharing of information on threats and DOD defensive measures with defense industrial base partners. The FY 2016 NDAA would direct the Secretary of Defense to identify and assess cyber vulnerabilities on legacy weapons and mission systems and to identify solutions to strengthen DOD's assets. The bill would direct the GAO to assess the DOD's plans and actions for providing support to civil authorities in the event of a domestic cyber incident, and to provide a report on the findings to Congress.

BRAC: The NDAA would not authorize an additional Base Realignment and Closure (BRAC) round. The bill would affirm congressional intent to reject the budget request to authorize another BRAC round in 2017. Section 333 would require the Secretary of Defense to provide a plan for improved management and oversight of the processes involved in the disposition of excess non-mission essential equipment and materiel by the Defense Logistics Agency Disposition Services.

Procurement:

- **Weapon Systems:** The bill would authorize \$109.74 billion for procurement, an increase of \$2.76 billion from the FY 2016 president's request. The FY 2016 NDAA would:
 - restores funding for the [A-10](#) and prohibits its retirement. The NDAA identified specific funding to restore personnel, and preserve, modify and upgrade the A-10 fleet.
 - authorizes 12 additional F-18 Super Hornets for the Navy and 6 additional F-35Bs for the Marine Corps. The bill supports the budget request for 57 total F-35 fighter aircraft, but recommends targeted adjustments based on contract savings and program oversight concerns regarding the F-35's F135 engine.
 - prohibits the retirement or divestment of the KC-10 tanker aircraft.
 - fund the KC-46A tanker.
 - fully restore the EC-130H Compass Call electronic warfare aircraft. (The Air Force proposed to retire half of the fleet)
 - reverse the administration's proposal to terminate Tomahawk cruise missile production and supports the minimum sustainment production rate of 198 missiles.
 - fund additional UH-60M Blackhawks in order to help accelerate rotorcraft modernization for the Army National Guard.
 - funds AH-64 Apache survivability equipment modernization in order to fill the Army's unfunded requirement to procure and develop improved countermeasures to better protect deployed Apache helicopters.
 - allocate additional funds for the National Guard and Reserve equipment account to address Guard and Reserve shortages in modernized equipment.
 - fully resource U.S. Special Operations Command activities and programs, including investments in operations, readiness, procurement, and science and technology initiatives. The bill would extend critical authorities used by U.S. Special Forces, and includes additional authority and funding to counter adversarial propaganda efforts. The NDAA recommends \$54.7 million, an increase of \$30.0 million from the President's request, for U.S. Special Operations Command global inform and influence activities to expand activities against the Russian Federation, al Qaeda, and the Islamic State of Iraq and the Levant (ISIL).
 - authorize the full amount for the Long-Range Strike Bomber (LRSB) the Air Force can execute in FY2016. The bill would direct the GAO to complete an assessment of the LRSB's technology challenges and cost implications.
 - clarify policies in the [FY2015 NDAA](#) that prohibit the modification of the Evolved Expendable Launch Vehicle ([EELV](#)) block buy to ensure that additional launches cannot be added into the block buy without competition. The bill would authorize \$185 million for the development of a new U.S. rocket propulsion system to end the Air Force's reliance on the Russian-made RD-180 rocket engine. Section 1606 would require the Secretary of the Air Force to develop and carry out a 10-year acquisition strategy for the EELV program, and to discontinue the EELV launch capability arrangement by a date determined by the Secretary on which the contracts' obligations relating to such arrangement have been met, or by December 31, 2020.

- **Ship Procurement and Retention:** The NDAA would require the modernization of two *Ticonderoga*-class cruisers to begin in FY 2016 only after sufficient materials are available to begin the modernization period, which would be limited to 2 years with the ability of the Secretary of the Navy to extend the period for another 6 months. Section 1023 of the bill would also limit funding for the retirement,

inactivation, or storage of *Ticonderoga*-class cruisers and *Whidbey Island*-class amphibious ships. The bill would also provide authority to the Secretary of the Navy to enter into a multiyear contract for an *Arleigh Burke*-class Flight III destroyer, in addition to the existing multiyear authority for an *Arleigh Burke*-class Flight IIA destroyer.

- **Strategic Deterrence Forces:** The NDAA would expand the National Sea-Based Deterrence Fund by allocating \$1.39 billion to fund the [Ohio-class replacement program](#) (SSBN-X). This would prevent the program from crowding out all other Navy shipbuilding resources. The Navy's 14 current Ohio-class ballistic submarines are slated to be taken out of service in the 2020s. According to the [Congressional Research Service](#):

"The first of the 14 Ohio-class SSBNs (SSBN-730) will reach the end of its 42-year service life in 2027. The remaining 13 will reach the ends of their service lives at a rate of roughly one ship per year thereafter, with the 14th reaching the end of its service life in 2040."

- **Nuclear weapons:** The NDAA includes \$150 million to address \$3.6 billion worth of budget shortfalls within the National Nuclear Security Administration's (NNSA) account, with the intent to alleviate the backlog of dilapidated infrastructure. To begin planning and initial recapitalization of the NNSA physical security infrastructure, the bill would authorize \$631.9 million, an increase of \$12.0 million to the budget request, for Defense Nuclear Security, Operations and Maintenance. The bill also would recommend the transfer of the NNSA's nonproliferation facilities to the Department of Energy's Office of Environmental Management.
- **Missile Defense:** The bill would authorize \$30 million for the planning and design for an East Coast missile defense site to deter the threat posed by development, proliferation and deployment of Iranian and Russian long-range ballistic missiles. The administration's missile defense [concessions](#) during the New Start treaty negotiations with Russia have created a gap in U.S. missile defense coverage. Iran as well continues to develop intercontinental ballistic missiles (ICBM), brought to light recently during the country's test launch of a [Safir](#) space launch vehicle. The bill would also accelerate the development of a next-generation missile defense interceptor, modify the Aegis Ashore Sites in Romania and Poland to provide both NATO member countries with Anti-Air Warfare capability, and direct the relocation of the [sea-based X-band radar](#) by siting a new homeport on the East Coast. The Aegis Ashore Sites would provide defense against Russian aircraft and cruise missile attacks.

Defense Reforms:

- **Acquisition Reform:** The NDAA includes provisions that seek to reform the DOD's acquisition strategies to include consolidating six separate reporting requirements into a single, living document that would be updated as a program moves through the acquisition life-cycle. Title VIII of the bill would make the (1) [Defense Acquisition Workforce Development Fund](#) (established by Congress in 2008) permanent; (2) require training on the commercial market, including on commercial market research; (3) expand ethics training for the acquisition workforce; (4) improve the Defense Contract Audit Agency; and (5) simplify the chain-of-command for acquisition decisions. According to the committee report accompanying H.R. 1735, the DOD obligated \$284 billion for goods and services in FY 2014, more than half of which was for contracted services. The bill would additionally require the Under Secretary of Defense for Acquisition, Technology, and Logistics to complete an examination of the decision authority related to acquisition of contracted services by September 15, 2015. The Secretary of Defense is also directed to develop a strategy on how the DOD intends to coordinate the responsibilities, and resources of the offices involved in developing requirements and acquiring contracted services, and to submit a report to Congress with the findings. A fact sheet on DOD reform efforts from the House Armed Services Committee can be found [here](#).

- **Institutional Reform:** The NDAA would require certain reductions of up to 20 percent in management headquarters budgets and personnel in the National Capital Region, would require a baseline from which to hold the DOD accountable to its reductions, and would seek to ensure that any reductions are done in a strategic manner, preserving essential functions and skillsets. Section 905 would also stipulate that civilian employees funded from working-capital funds would be exempt from the reduction requirement. Section 907 would establish guidelines for the conversion of functions performed by civilians or contractors to functions performed by military personnel.

The bill would cut funding to the Foreign Currency Fluctuation, Defense (FCF, D) Account and the reserve account for fuel. The FCF, D account has been at its statutory limit of \$970million since 2012. The current budget request failed to change how foreign currency rates are calculated.

Additionally, the DOD continues to rely on rates calculated in 2009 for fuel, rather than estimated market prices for the upcoming fiscal year. The NDAA would redirect these funds to other budget priorities. The FY 2016 NDAA (Subtitle G of Title X) would repeal more than 460 congressionally mandated reports over the next six years, weeding out those that no longer provide value to Congress or the DOD. The proposal would also free up vital manpower.

- **Afghanistan:** The NDAA would extend the [Commander's Emergency Response Program](#) (CERP) during FY 2016 for \$5 million, authorizing the acquisition of goods on the routes of supply and continuing support for the Afghanistan National Security Forces (ANSF) to sustain stability and security in the country. The NDAA also expresses the committee's view that the administration should withdraw U.S. forces (currently at 9,800 troops through 2015) only at a pace in which the ANSF can sustain itself and ensure the stability and security of the country. Section 1201 would authorize the Secretary of Defense to provide supplies, services, transportation, and other logistical support to coalition forces supporting U.S. operations in Afghanistan during FY 2016. The bill would extend the [Oversight of Sensitive Military Operations](#) (OSMOA) reporting requirements on "lethal and capture" operations in Afghanistan. Section 1212 would specify that, of the total amount of reimbursements and support authorized for Pakistan during FY 2016, \$400 million would not be eligible for a national security waiver unless the Secretary of Defense certifies that Pakistan is (1) conducting military operations against the [Haqqani Network](#) in North Waziristan; (2) has prevented the terrorist group from using North Waziristan as a safe haven; and (3) and is actively coordinating with the Government of Afghanistan to restrict the movement of militants along the Afghanistan-Pakistan border.
- **Iran:** H.R. 1735 would extend the [Iran military power report](#) for 10 years, the length of any Iranian nuclear agreement, and would add a reporting requirement that provides an assessment of transfers of military equipment, technology, and training to Iran from non-Iranian sources. Section 1232 would express a sense of Congress that Iran's illicit pursuit, development, or acquisition of a nuclear weapons capability and its malign military activities constitute a grave threat to regional stability and the national security interests of the United States and its allies and partners. Furthermore, the bill would require the Secretary of Defense to submit a report to Congress regarding the military posture required in the Middle East to deter Iran from developing a nuclear weapon. The report would include a discussion of the military forces, bases, and capability required to maintain a military option to prevent Iran from achieving a nuclear weapon, counter Iran's military activities, and protect the U.S. military and other interests in the region. Additionally, DOD would be required to submit a strategy to counter unconventional warfare threats posed by Iran.
- **Islamic State of Iraq and the Levant (ISIL):** The NDAA would reauthorize the Office of Security Cooperation in Iraq, as well as other initiatives to support and reinforce the mission against the Islamic

State of Iraq and the Levant (ISIL) and to support Operation Inherent Resolve, the U.S. military campaign against the radical Islamist terrorist organization. The Secretary of Defense is authorized to provide \$715 million in FY 2016 for assistance to the military and other security forces of, or associated with, the Government of the Republic of Iraq, including the Kurdish and tribal security forces or other local security forces with a national security mission. Section 1223 would require that not less than 25 percent of the FY 2016 funds be expended for direct assistance to the Kurdish Peshmerga, the Sunni tribal security forces with a national security mission, and the Iraqi Sunni National Guard. It would further require that not less than half of such funds be obligated and expended for the Kurdish Peshmerga.

The Secretary of Defense is mandated to submit to Congress, an assessment of the extent to which the Government of Iraq is meeting certain conditions relating to political inclusion of ethnic and sectarian minorities within the security forces of Iraq. If the Secretary of Defense and the Secretary of State do not assess that the Government of Iraq has substantially achieved such conditions, FY 2016 assistance directly to the Government of Iraq would be withheld. The Secretary of Defense would then be required to provide not less than 60 percent of all FY 2016 unobligated funds to the Kurdish Peshmerga, the Sunni tribal security forces with a national security mission, and the Iraqi Sunni National Guard. The section would further deem such groups as “a country” for the purpose of allowing these security forces to directly receive assistance from the United States under the prerequisite conditions set in the bill.

Section 1225 of the NDAA would additionally authorize \$600 million to continue the train and equip program for vetted moderate Syrian opposition forces, which includes \$531.5 million for the Syria Train and Equip Fund, \$25.8 million for costs that would be incurred by the Army for such program, and \$42.8 million for costs that would be incurred by the Air Force. More information on the Syria train and equip program can be found in the RSC’s [legislative bulletin](#) on the McKeon amendment to the Continuing Resolution (CR). Section 1226 would authorize \$300 million in support of Jordan’s efforts to sustain security along its border with Syria and Iraq and enhance the kingdom’s military capabilities.

Due to several concerns regarding troop cap limitations put in place by DOD for Operation Inherent Resolve (OIR), the NDAA would require the Secretary of Defense to submit a report to Congress on U.S. Armed Forces deployed in support of OIR, including the total number of U.S. Armed Forces conducting force protection and combat search and rescue; the authorities and limitations on such personnel; and any changes to U.S. policy.

- **Counterterrorism:** The bill would not reauthorize the Counter Terrorism Partnership Fund (CTPF) this year because the DOD has failed to provide Congress a required plan for how it intends to spend the FY 2015 CTPF funds, nor has any FY 2015 CTPF funds been executed. In response, the NDAA would realign the funds towards clearly defined requirements including the Jordanian border security and capability enhancement provision, military construction in the region, and specific counter-ISIL programs.
- **Ukraine, Russia, and Europe:** The NDAA would not reauthorize the European Reassurance Initiative. Instead, the bill would allocate specific resources to badly needed requirements including increased funding for U.S. intelligence and warning capabilities in the European theater, technologies supporting U.S. information operations and strategic communications, the [Javelin](#) missile system, and Stryker combat vehicle upgrades. DOD would also be required to submit, a strategy to counter unconventional warfare threats posed by Russia, and quarterly notifications on the testing, production, deployment, sale, or transfer to other states or non-state actors of the Russian-built [Club-K cruise missile](#) system. The bill would direct DOD’s Office of Net Assessment to undertake a study exploring various strategies for deterring external efforts to interfere with the internal workings of NATO member states by Russia, or any other actor utilizing tactics such as propaganda in media, economic warfare, cyber warfare, criminal acts, and intelligence operations, similar to those being used by Russia in Ukraine. The proposal would

also direct the research and development of responses to Russia's violations of the Intermediate-range Nuclear Forces (INF) treaty.

The NDAA would also authorize \$200 million for defensive lethal assistance and sustainment to Ukraine's military and national security forces to counter Russia's repeated threats and involvement in the conflict in Eastern Ukraine and its illegal annexation of the Crimean peninsula.

- **Guantanamo Bay Detention Center:** Sections 1036 and 1037 of the NDAA would reauthorize the prohibition against transferring detainees to the United States and against building detention facilities within the U.S. for the purpose of housing them. Section 1038 would prohibit the use of funds by DOD to transfer, release, or assist in the transfer or release of any individual detained at Guantanamo Bay to a combat zone. Section 1039 would rescind the president's authority to unilaterally transfer detainees and applies restrictions put in place during the [FY2013 NDAA](#). Transfers are authorized only if the Secretary of Defense can certify that the foreign country to which the detainee is being transferred will maintain control over the detainee and ensure the detainee cannot threaten the United States or reengage in terrorist activity. According to the House Armed Services Committee, the administration has transferred 33 detainees to third countries since January 2014, including the unlawful transfer of five [senior Taliban detainees](#) from Guantanamo Bay, in violation of the FY 2014 NDAA's requirement of a 30-day advance congressional notification. The NDAA proposes to withhold 25 percent of the Office of the Secretary of Defense's funding if the Department does not lift unwarranted redactions of unclassified material and if it withholds Department of Justice legal advice to DOD relating to the transfer of the Taliban Five. Section 1034 would require a report on former detainee attempts to communicate with other known terrorists.
- **Asia Rebalance:** Section 1253 would require the president to develop an overall strategy to promote United States interests in the Indo-Asia-Pacific region that is informed by the U.S. National Security Strategy, and the Department of Defense strategy on prioritizing defense interests in the Asia-Pacific region. The section would further require the president to issue a Presidential Policy Directive to relevant federal departments and agencies that implement the required strategy, and require that the annual budget request submission to Congress include a description of how the programs and projects funded in the request align with the required strategy. Section 1254 would express a sense of Congress on the U.S. alliance with Japan, including that the United States highly values the alliance with the Government of Japan, supports recent changes in Japanese defense policy and the new bilateral guidelines for U.S.-Japan defense cooperation, and reaffirms the U.S. commitment to the alliance.
- **Plan Central America:** The NDAA would recommend an increase of \$50million for DOD Central American programs within the Drug Interdiction & Counter-drug Activities appropriation. The funding would be focused on aerial and maritime interdiction capabilities, building partnership capacity, and increasing detection and monitoring of illicit trafficking in Central America, and complement the Department of State efforts.
- **Authorizations for End Strengths as of September 30, 2016** (from the House Armed Services Committee Report):
 - *Active Duty Personnel:* 475,000 (Army), 329,200 (Navy), 184,000 (Marine Corps), 320,715 (Air Force). These levels represent a decrease of 1,765 service members from the previous year's authorization. The FY2016 President's budget requested a minimum of 317,000 active duty Air Force personnel which was augmented by 3,715.
 - *Selected Reserves:* 342,000 (Army National Guard), 198,000 (Army Reserve), 57,400 (Navy Reserve), 38,900 (Marine Corps Reserve), 105,500 (Air National Guard), 69,200 (Air Force Reserve). These levels represent a decrease of 9,800 service members from the previous year's authorization.

- *Military Technicians*: 26,099 (Army National Guard), 7,395 (Army Reserve), 22,104 (Air National Guard), 9,814 (Air Force Reserve). These levels represent a decrease of 1,274 from the previous year's authorization.

Authorization Levels (charts provided by the House Armed Services Committee Report begin on the following page)

Table 2: Examples of Reallocated Resources (provided by the House Armed Services Committee Fact Sheet)

TABLE 2: Examples of Reallocated Resources

Savings Achieved	Resources Added
Unobligated Balances - \$-2.6B	Additional 12 F/A 18-F Super Hornet Aircraft – Navy Unfunded Requirement - \$1.15 billion
Excessive estimates for fuel - \$-1.6B	Additional 6 F-35B JSF Aircraft – Marine Corps Unfunded Requirement - \$1.0 billion
Foreign Currency adjustments - \$-1.4B	Restore Sustainment shortfalls - \$431.4M
Long-Range Strike Bomber - \$-460M	Basic Housing Allowance - \$400.0M
Various program reductions - \$-249.4M	Increased Operations Tempo to Meet Readiness Objectives - \$385.1M
KC-46A - \$-224.0M	A-10 - \$682.7M
Various program delays, early-to-need requests - \$-146.2M	Maintaining Commissary Hours of Operation - \$322.0M
Anticipated contract savings - \$-100.8M	EELV - Rocket Propulsion System Development - \$184.4M
Joint Urgent Operational Needs Fund - \$-99.7M	Javelin - \$168.5M
EELV - Launch Vehicle Development - \$-84.4M	Additional 8 rotorcraft for Army National Guard - \$128.0M
A-10 to F-15E Training Transition - \$-79.6M	Additional DDG Modification-Unfunded Requirement - \$120.0M
Cost growth for support equipment - \$-47.9M	Apache Survivability Enhancements - Army Unfunded Requirement - \$110.0M
Unjustified Growth in Defense –wide RDT&E programs - \$-35.0M	H-60 A-L Conversion Acceleration - \$86.7M
Defense Enterprise Accounting and Management System - \$-20.7M	Financial Literacy Training - \$85.0M
MC-130 Terrain Following/Terrain Avoidance Radar Program - \$-20.2M	C-130J - \$73.0M
Unjustified increase and analysis of alternatives - \$-20M	Army Flying Hour Program Restoration Unfunded Requirement - \$55.0M
EMD contract delays - \$-20M	Plan Central America - \$50.0M
Civilian Institutions Graduate Education Program - \$-16.5M	Stryker Lethality Upgrades - \$79.5M
Unjustified Growth Marine Corps Heritage Center - \$-15.8M	Israeli Cooperative Missile Defense - \$329.8M
OUSD AT&L Congressional Mandate (BRAC Support) - \$-10.5M	LX(R) Acceleration - \$279.0M
	EC-130H Force Structure Restoration - \$48.3M
	Restoration of Army National Guard Flying Hours Unfunded Requirement - \$43.9M
	Additional MQ-4C Triton Unmanned Aerial System – Navy Unfunded Requirement - \$83.0M

(Table courtesy of the House Armed Services Committee)

Base Defense Funding Summary

SUMMARY OF NATIONAL DEFENSE AUTHORIZATIONS FOR FISCAL YEAR 2016

(In Thousands of Dollars)

	FY 2016 Request	House Change	House Authorized
DISCRETIONARY AUTHORIZATIONS WITHIN THE JURISDICTION OF THE ARMED SERVICES COMMITTEE			
National Defense Funding, Base			
Function 051, Department of Defense-Military			
Division A: Department of Defense Authorizations			
Title I—Procurement			
Aircraft Procurement, Army	5,689,357	179,800	5,869,157
Missile Procurement, Army	1,419,957	76,000	1,495,957
Weapons & Tracked Combat Vehicles, Army	1,887,073	148,617	2,035,690
Procurement of Ammunition, Army	1,233,378	-11,000	1,222,378
Other Procurement, Army	5,899,028	-91,000	5,808,028
Aircraft Procurement, Navy	16,126,405	2,214,100	18,340,505
Weapons Procurement, Navy	3,154,154	77,800	3,231,954
Procurement of Ammunition, Navy & Marine Corps	723,741		723,741
Shipbuilding & Conversion, Navy	16,597,457	-327,190	16,270,267
Other Procurement, Navy	6,614,715	111,500	6,726,215
Procurement, Marine Corps	1,131,418	37,500	1,168,918
Aircraft Procurement, Air Force	15,657,769	290,500	15,948,269
Missile Procurement, Air Force	2,987,045		2,987,045
Space Procurement, Air Force	2,584,061	26,000	2,610,061
Procurement of Ammunition, Air Force	1,758,843	-20,000	1,738,843
Other Procurement, Air Force	18,272,438	22,900	18,295,338
Procurement, Defense-Wide	5,130,853	132,480	5,263,333
Joint Urgent Operational Needs Fund	99,701	-99,701	0
Subtotal, Title I—Procurement	106,967,393	2,768,306	109,735,699
Title II—Research, Development, Test and Evaluation			
Research, Development, Test & Evaluation, Army	6,919,178	105,500	7,024,678
Research, Development, Test & Evaluation, Navy	17,885,916	-1,233,693	16,652,223
Research, Development, Test & Evaluation, Air Force	26,473,669	-515,700	25,957,969
Research, Development, Test & Evaluation, Defense-Wide	18,329,861	217,220	18,547,081
Operational Test & Evaluation, Defense	170,558		170,558
Subtotal, Title II—Research, Development, Test and Eval- uation	69,779,182	-1,426,673	68,352,509

Title III—Operation and Maintenance			
Operation & Maintenance, Army	23,822,655	–58,310	23,764,345
Operation & Maintenance, Army Reserve	1,035,017	6,000	1,041,017
Operation & Maintenance, Army National Guard	3,576,169	513,990	4,090,159
Operation & Maintenance, Navy	32,430,364	–828,900	31,601,464
Operation & Maintenance, Marine Corps	4,595,074	–325,200	4,269,874
Operation & Maintenance, Navy Reserve	819,847	4,500	824,347
Operation & Maintenance, Marine Corps Reserve	276,112	400	276,512
Operation & Maintenance, Air Force	31,317,486	–426,530	30,890,956
Operation & Maintenance, Air Force Reserve	2,817,743	–98,200	2,719,543
Operation & Maintenance, Air National Guard	6,956,210	–60,600	6,895,610
Operation & Maintenance, Defense-Wide	30,480,285	–391,600	30,088,685
Overseas Humanitarian, Disaster and Civic Aid	100,266		100,266
Subtotal, Title III—Operation and Maintenance	138,227,228	–1,664,450	136,562,778
 Title IV—Military Personnel			
Military Personnel Appropriations	130,491,227	–291,492	130,199,735
Medicare-Eligible Retiree Health Fund Contributions	6,243,449		6,243,449
Subtotal, Title IV—Military Personnel	136,734,676	–291,492	136,443,184
 Title XIV—Other Authorizations			
Working Capital Fund, Army	50,432	5,000	55,432
Working Capital Fund, Navy	0	5,000	5,000
Working Capital Fund, Air Force	62,898	5,000	67,898
Working Capital Fund, Defense-Wide	45,084		45,084
Working Capital Fund, DECA	1,154,154	322,000	1,476,154
National Defense Sealift Fund	474,164	674,190	1,148,354
National Sea-Based Deterrence Fund	0	1,390,693	1,390,693
Chemical Agents & Munitions Destruction	720,721		720,721
 Drug Interdiction and Counter Drug Activities	 850,598	 50,000	 900,598
Office of the Inspector General	316,159	–1,000	315,159
Defense Health Program	32,243,328	–508,000	31,735,328
Subtotal, Title XIV—Other Authorizations	35,917,538	1,942,883	37,860,421
 Total, Division A: Department of Defense Authorizations ...	 487,626,017	 1,328,574	 488,954,591

Division B: Military Construction Authorizations

Military Construction

Army	743,245	-80,000	663,245
Navy	1,605,929	-244,004	1,361,925
Air Force	1,354,785	-75,000	1,279,785
Defense-Wide	2,300,767	-360,888	1,939,879
NATO Security Investment Program	120,000	30,000	150,000
Army National Guard	197,237	-29,800	167,437
Army Reserve	113,595	-9,300	104,295
Navy and Marine Corps Reserve	36,078		36,078
Air National Guard	123,538		123,538
Air Force Reserve	46,821		46,821
Subtotal, Military Construction	6,641,995	-768,992	5,873,003

Family Housing

Construction, Army	99,695		99,695
Operation & Maintenance, Army	393,511		393,511
Construction, Navy and Marine Corps	16,541		16,541
Operation & Maintenance, Navy and Marine Corps	353,036		353,036
Construction, Air Force	160,498		160,498
Operation & Maintenance, Air Force	331,232		331,232
Operation & Maintenance, Defense-Wide	58,668		58,668
Subtotal, Family Housing	1,413,181	0	1,413,181

Base Realignment and Closure

Base Realignment and Closure—Army	29,691		29,691
Base Realignment and Closure—Navy	157,088		157,088
Base Realignment and Closure—Air Force	64,555		64,555
Subtotal, Base Realignment and Closure	251,334	0	251,334

Undistributed Adjustments

Prior Year Savings	0	-386,518	-386,518
Subtotal, Undistributed Adjustments	0	-386,518	-386,518

Total, Division B: Military Construction Authorizations	8,306,510	-1,155,510	7,151,000
Total, 051, Department of Defense-Military	495,932,527	173,064	496,105,591

Department of Energy National Security Component Funding Summary

Function 053, Atomic Energy Defense Activities

Division C: Department of Energy National Security Authorization and Other Authorizations

SUMMARY OF NATIONAL DEFENSE AUTHORIZATIONS FOR FISCAL YEAR 2016—Continued

(In Thousands of Dollars)

	FY 2016 Request	House Change	House Authorized
Environmental and Other Defense Activities			
Nuclear Energy	135,161		135,161
Weapons Activities	8,846,948	237,700	9,084,648
Defense Nuclear Nonproliferation	1,940,302	-39,000	1,901,302
Naval Reactors	1,375,496	12,000	1,387,496
Federal salaries and expenses	402,654	-6,000	396,654
Defense Environmental Cleanup	5,527,347	-384,197	5,143,150
Other Defense Activities	774,425	4,200	778,625
Subtotal, Environmental and Other Defense Activities	19,002,333	-175,297	18,827,036
Independent Federal Agency Authorization			
Defense Nuclear Facilities Safety Board	29,150		29,150
Subtotal, Independent Federal Agency Authorization	29,150	0	29,150
Subtotal, Division C: Department of Energy National Security Authorization and Other Authorizations	19,031,483	-175,297	18,856,186
Subtotal, 053, Atomic Energy Defense Activities	19,031,483	-175,297	18,856,186
Total, National Defense Funding, Base	514,964,010	-2,233	514,961,777

Overseas Contingency Operations Funding Summary (Global War on Terror Funding)

National Defense Funding, Overseas Contingency Operations and Additional Authorizations

National Defense Funding, Overseas Contingency Operations

Function 051, Department of Defense-Military

Procurement

Aircraft Procurement, Army	164,987		164,987
Missile Procurement, Army	37,260		37,260
Weapons & Tracked Combat Vehicles, Army	26,030		26,030
Procurement of Ammunition, Army	192,040		192,040
Other Procurement, Army	1,205,596		1,205,596
Joint Improvised Explosive Device Defeat Fund	493,271	-50,700	442,571
Aircraft Procurement, Navy	217,394		217,394
Weapons Procurement, Navy	3,344		3,344
Procurement of Ammunition, Navy & Marine Corps	136,930		136,930
Other Procurement, Navy	12,186		12,186
Procurement, Marine Corps	48,934		48,934
Aircraft Procurement, Air Force	128,900		128,900
Missile Procurement, Air Force	289,142		289,142
Procurement of Ammunition, Air Force	228,874		228,874
Other Procurement, Air Force	3,859,964		3,859,964
Procurement, Defense-Wide	212,418		212,418
National Guard & Reserve Equipment	0	250,000	250,000
Subtotal, Procurement	7,257,270	199,300	7,456,570

Research, Development, Test and Evaluation

Research, Development, Test & Evaluation, Army	1,500		1,500
Research, Development, Test & Evaluation, Navy	35,747		35,747
Research, Development, Test & Evaluation, Air Force	17,100		17,100
Research, Development, Test & Evaluation, Defense-Wide	137,087	25,000	162,087
Subtotal, Research, Development, Test and Evaluation	191,434	25,000	216,434

Operation and Maintenance			
Operation & Maintenance, Army	11,382,750	120,800	11,503,550
Operation & Maintenance, Army Reserve	24,559		24,559
Operation & Maintenance, Army National Guard	60,845		60,845
Afghanistan Security Forces Fund	3,762,257	337,743	4,100,000
Iraq Train & Equip Fund	715,000		715,000
Syria Train & Equip Fund	600,000	-68,550	531,450
Operation & Maintenance, Navy	5,131,588		5,131,588
Operation & Maintenance, Marine Corps	952,534		952,534
Operation & Maintenance, Navy Reserve	31,643		31,643
Operation & Maintenance, Marine Corps Reserve	3,455		3,455
Operation & Maintenance, Air Force	9,090,013	659,250	9,749,263
Operation & Maintenance, Air Force Reserve	58,106		58,106
Operation & Maintenance, Air National Guard	19,900		19,900
Operation & Maintenance, Defense-Wide	5,805,633	294,000	6,099,633
Counterterrorism Partnerships Fund	2,100,000	-2,100,000	0
Subtotal, Operation and Maintenance	39,738,283	-756,757	38,981,526
Military Personnel			
Military Personnel Appropriations	3,204,758		3,204,758
Subtotal, Military Personnel	3,204,758	0	3,204,758
Other Authorizations			
Working Capital Fund, Air Force	2,500		2,500
Working Capital Fund, Defense-Wide	86,350		86,350
Drug Interdiction and Counter Drug Activities	186,000		186,000
Office of the Inspector General	10,262		10,262
Defense Health Program	272,704		272,704
Subtotal, Other Authorizations	557,816	0	557,816
Military Construction			
Army	0	76,000	76,000
Navy	0	244,004	244,004
Air Force	0	75,000	75,000
Defense-Wide	0	136,996	136,996
Subtotal, Military Construction	0	532,000	532,000
Subtotal, Overseas Contingency Operations	50,949,561	-457	50,949,104
Subtotal, 051, Department of Defense-Military	50,949,561	-457	50,949,104
Total, National Defense Funding, Overseas Contingency Operations	50,949,561	-457	50,949,104

Function 051, Department of Defense-Military

Operation and Maintenance			
Operation & Maintenance, Army	11,284,891		11,284,891
Operation & Maintenance, Army Reserve	1,630,775		1,630,775
Operation & Maintenance, Army National Guard	3,141,808		3,141,808
Operation & Maintenance, Navy	9,770,392		9,770,392
Operation & Maintenance, Marine Corps	1,633,708		1,633,708
Operation & Maintenance, Navy Reserve	181,911		181,911
Operation & Maintenance, Marine Corps Reserve	924		924
Operation & Maintenance, Air Force	6,874,443		6,874,443
Operation & Maintenance, Air Force Reserve	246,514		246,514
Operation & Maintenance, Defense-Wide	1,960,558		1,960,558
US Court of Appeals for the Armed Forces, Defense	14,078		14,078
Cooperative Threat Reduction	358,496		358,496
Defense Acquisition Development Workforce Fund	84,140		84,140
Environmental Restoration, Army	234,829		234,829
Environmental Restoration, Navy	292,453		292,453
Environmental Restoration, Air Force	368,131		368,131
Environmental Restoration, Defense	8,232		8,232
Environmental Restoration, Formerly Used Sites	203,717		203,717
Subtotal, Operation and Maintenance	38,290,000	0	38,290,000
 Subtotal, Additional Authorizations	 38,290,000	 0	 38,290,000
 Subtotal, 051, Department of Defense-Military	 38,290,000	 0	 38,290,000
 Total, National Defense Funding, Additional Authorizations	 38,290,000	 0	 38,290,000
 Total, National Defense Funding, Overseas Contingency Operations and Additional Authorizations	 89,239,561	 -457	 89,239,104
 Total, National Defense	 604,203,571	 -2,690	 604,200,881
 MEMORANDUM: BASE BUDGET REQUIREMENTS			
Base Funding	514,964,010	-2,233	514,961,777
Additional Authorizations	38,290,000	0	38,290,000
Total, Base Budget Requirements	553,254,010	-2,233	553,251,777
 MEMORANDUM: NON-DEFENSE AUTHORIZATIONS			
Title XIV—Armed Forces Retirement Home (Function 600) ...	64,300		64,300
Title XIV—Cemeterial Expenses, Army (Function 700)	70,800		70,800
Title XXXIV—Naval Petroleum and Oil Shale Reserves (Function 270)	17,500		17,500
Title XXXV—Maritime Administration (Function 400)	184,637		184,637
 MEMORANDUM: TRANSFER AUTHORITIES (NON-ADD)			
Title X—General Transfer Authority	[5,000,000]		[5,000,000]
 Title XV—Special Transfer Authority	 [3,500,000]		 [3,500,000]
 MEMORANDUM: DEFENSE AUTHORIZATIONS NOT UNDER THE JURISDICTION OF THE ARMED SERVICES COMMITTEE (NON-ADD)			
Defense Production Act	[46,680]		[46,680]

Total National Defense Discretionary Funding Summary

NATIONAL DEFENSE BUDGET AUTHORITY IMPLICATION

(In Thousands of Dollars)

	FY 2016 Request	House Change	House Authorized
Summary, Discretionary Authorizations Within the Jurisdiction of the Armed Services Committee			
SUBTOTAL, DEPARTMENT OF DEFENSE (051)	495,932,527	173,064	496,105,591
SUBTOTAL, ATOMIC ENERGY DEFENSE PROGRAMS (053)	19,031,483	-175,297	18,856,186
TOTAL, NATIONAL DEFENSE (050)—BASE BILL	514,964,010	-2,233	514,961,777
TOTAL, OVERSEAS CONTINGENCY OPERATIONS	89,239,561	-457	89,239,104
GRAND TOTAL, NATIONAL DEFENSE	604,203,571	-2,690	604,200,881
Base National Defense Discretionary Programs that are Not In the Jurisdiction of the Armed Services Committee or Do Not Require Additional Authorization			
Defense Production Act Purchases	25,000		25,000
Indefinite Account: Disposal Of DOD Real Property	8,000		8,000
Indefinite Account: Lease Of DOD Real Property	33,000		33,000
Subtotal, Budget Sub-Function 051	66,000		66,000
Formerly Utilized Sites Remedial Action Program	104,000		104,000
Subtotal, Budget Sub-Function 053	104,000		104,000
Other Discretionary Programs	7,566,000		7,566,000
Subtotal, Budget Sub-Function 054	7,566,000		7,566,000
Total Defense Discretionary Adjustments (050)	7,736,000		7,736,000
Budget Authority Implication, National Defense Discretionary			
Department of Defense--Military (051)	585,238,088	172,607	585,410,695
Atomic Energy Defense Activities (053)	19,135,483	-175,297	18,960,186
Defense-Related Activities (054)	7,566,000		7,566,000
Total BA Implication, National Defense Discretionary	611,939,571	-2,690	611,936,881
National Defense Mandatory Programs, Current Law (CBO Baseline)			
Concurrent receipt accrual payments to the Military Retirement Fund	6,932,000		6,932,000
Revolving, trust and other DOD Mandatory	1,135,000		1,135,000
Offsetting receipts	-1,593,000		-1,593,000
Subtotal, Budget Sub-Function 051	6,474,000		6,474,000
Energy employees occupational illness compensation programs and other	1,168,000		1,168,000
Subtotal, Budget Sub-Function 053	1,168,000		1,168,000
Radiation exposure compensation trust fund	59,000		59,000
Payment to CIA retirement fund and other	514,000		514,000
Subtotal, Budget Sub-Function 054	573,000		573,000
Total National Defense Mandatory (050)	8,215,000		8,215,000
Budget Authority Implication, National Defense Discretionary and Mandatory			
Department of Defense--Military (051)	591,712,088	172,607	591,884,695
Atomic Energy Defense Activities (053)	20,303,483	-175,297	20,128,186
Defense-Related Activities (054)	8,139,000		8,139,000
Total BA Implication, National Defense Discretionary and Mandatory	620,154,571	-2,690	620,151,881

ADDITIONAL INFORMATION: The NDAA has been signed into law for 53 consecutive years.

COMMITTEE ACTION: This bill was introduced on April 13, 2015 and was referred to the House Armed Services Committee, which held a markup on April 29, 2015. The committee ordered it to be reported (amended) by the yeas and nays: [60 - 02](#). The House Report (H. Rept. 114-102) accompanying H.R. 1735 can be found [here](#).

ADMINISTRATION POSITION: No statement of administration policy is available.

CONSTITUTIONAL AUTHORITY: Congress has the power to enact this legislation pursuant to the following: the constitutional authority on which this bill rests is the power of Congress “to provide for the common Defence”, “to raise and support Armies”, “to provide and maintain a Navy” and “to make Rules for the Government and Regulation of the land and naval Forces” as enumerated in Article I, section 8 of the United States Constitution.

NOTE: *RSC Legislative Bulletins are for informational purposes only and should not be taken as statements of support or opposition from the Republican Study Committee.*

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