

## PRESS RELEASE

# U.S. Senate Committee on Armed Services

Carl Levin, Chairman  
James M. Inhofe, Ranking Member

<http://armed-services.senate.gov>



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## SENATE COMMITTEE ON ARMED SERVICES COMPLETES MARKUP OF THE NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2014

WASHINGTON -- Senator Carl Levin, D-Mich., chairman of the Committee on Armed Services, and Ranking Member Jim Inhofe, R-Okla., announced today that the committee has completed its markup of the National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2014. The committee voted 23-3 to report the bill, which authorizes funding for the Department of Defense (DOD) and the national security programs of the Department of Energy (DOE).

“This bipartisan bill provides for our nation’s defense and upholds our obligations to our men and women in uniform and their families,” Levin said. “An important part of keeping faith with service members is addressing the plague of sexual assaults in our military, and the bill includes the strongest, most effective approach to combatting sexual assault.

“The committee adopted important measures to address readiness problems caused by sequestration and to require the Department of Defense to cut costs and operate more efficiently. I want to thank Senator Inhofe and all of the members of the committee for their hard work and support throughout the mark-up process.”

“I am proud to complete my first markup of the National Defense Authorization Act as Ranking Member,” said Inhofe. “I thank Chairman Levin for his leadership and commend all of the members of the committee for their hard work. The bill contains many important provisions to support the men and women of our military and their families and ensure that they’re prepared to meet the Nation’s security objectives around the world.”

### **MAJOR HIGHLIGHTS**

*Note: This section describes major provisions contained in the markup agreement. Some items are repeated in the Detailed Description section following these major highlights.*

- 1. Sustains the quality of life of the men and women of the all-volunteer force (active duty, National Guard, and Reserves) and their families, as well as Department of**

**Defense civilian personnel, through fair pay, policies, and benefits, and addresses the needs of the wounded, ill, and injured service members and their families.**

- Authorizes fiscal year 2014 active duty end strengths for the Army of 520,000; the Navy, 323,600; the Marine Corps, 190,200; and the Air Force, 327,600.
  - Authorizes a 1 percent across-the-board pay raise for all members of the uniformed services, consistent with the President's request.
  - Does not include DOD proposals to establish or increase health care fees, deductibles, and copayments that would primarily affect working-age military retirees and their families.
  - Amends Article 60 of the Uniform Code of Military Justice to limit the authority of a convening authority to modify the findings of a court-martial to specified sexual offenses.
  - Requires automatic higher-level review of any decision by a commander not to prosecute a sexual assault allegation, with the review going all the way to the service secretary in any case in which the commander disagrees with the military lawyer's recommendation to prosecute.
  - Makes retaliation against service members for reporting criminal offenses a punishable offense under the Uniform Code of Military Justice.
  - Expresses the sense of the Senate that commanding officers should be held accountable for maintaining a command climate in which sexual assault allegations are properly managed and fairly evaluated, and victims can report criminal activity, including sexual assault, without fear of retaliation.
  - Requires service secretaries to provide a Special Victims' Counsel to provide legal advice and assistance to service members who are victims of a sexual assault committed by a member of the armed forces.
  - Authorizes the payment of the Survivor Benefit Plan annuity to a special needs trust for the sole benefit of a disabled dependent child incapable of self-support because of mental or physical incapacity.
  - Authorizes \$25.0 million in supplemental impact aid to local educational agencies with military dependent children and \$5.0 million in impact aid for schools with military dependent children with severe disabilities.
2. **Reduces our Nation's strategic risk by taking action aimed at restoring, as soon as possible, the readiness of the military services to conduct the full range of their assigned missions.**
- Adds \$732.2 million in Army operation and maintenance (O&M) funding to address readiness problems caused by fiscal year 2013 sequestration.

- Adds \$571.9 million in Air Force O&M to address readiness problems caused by fiscal year 2013 sequestration.
- Adds \$448.5 million in Navy O&M to address readiness problems caused by fiscal year 2013 sequestration.
- Adds \$56.0 million in Marine Corps O&M to address readiness problems caused by fiscal year 2013 sequestration.
- Establishes a DOD Readiness Restoration Fund in order to provide increased flexibility to transfer available funds to meet high priority readiness needs.
- Directs DOD to establish a policy setting forth the programs and priorities for retrograde, reconstitution, and replacement of units and materiel used to support overseas contingency operations (OCO).
- Directs DOD to develop an overarching strategy and implementation plan for the Services' prepositioned equipment program.
- Updates the military departments' strategic plans with performance measures to show clear linkages to DOD's overarching goals and objectives as described in DOD's strategic plan for corrosion control and prevention.
- Directs DOD to review current and expected manufacturing requirements for which there are no or limited domestic commercial sources and which are appropriate for manufacturing within an arsenal owned by the United States in order to support critical manufacturing capabilities.
- Directs the Marine Corps to finalize their core depot maintenance policy.
- Urges DOD to identify and provide a list of service-specific unfunded requirements with each fiscal year's budget request.
- Directs DOD to annually report for three years on the criteria and means for identifying the existence of a so-called "hollow force," accompanied by a Government Accountability Office (GAO) review of each report and subsequent update.

**3. Provides our servicemen and women with the resources, training, technology, equipment, and authorities they will need to succeed in combat, counterinsurgency, and stability operations.**

- Authorizes \$7.64 billion for U.S. Special Operations Command (USSOCOM) in base budget funding and \$2.25 billion for OCO.
- Authorizes nearly \$1.0 billion for DOD counter-IED efforts to defeat the device, attack the network, and train the force.

- Transfers \$106.0 million from the Joint Improvised Explosive Device Defeat Organization's (JIEDDO) OCO procurement fund to the Army and Marine Corps' O&M accounts to train service members prior to deployment on counter-IED tactics, techniques, and procedures.
  - Adds \$56.3 million in Army O&M OCO account for a terrain data program as a result of a Joint Urgent Operational Need request from DOD.
  - Directs DOD to ensure it has a sufficient supply of tungsten rhenium wire to support its requirements.
  - Codifies the responsibility of the Chairman of the Joint Chiefs of Staff (CJCS) to reflect the current joint training, doctrine, education, and force development functions that are overseen by the CJCS.
  - Directs DOD to brief or report on the potential benefits and constraints of additive manufacturing (3-D printing) and how the process could contribute to DOD missions.
  - Directs the Marine Corps to report or brief on their analysis of small arms ammunition.
- 4. Enhances the capability of the U.S. armed forces to support the Afghanistan National Security Forces (ANSF) and Afghan Local Police as the lead responsibility for security throughout Afghanistan's transition to the ANSF.**
- Authorizes the budget request of \$7.7 billion for the Afghanistan Security Forces Fund, which includes funding to build logistical, airlift, intelligence and other key enablers for the Afghan security forces to take over security throughout Afghanistan by December 2014.
  - Authorizes the use of DOD funds to support a program to reintegrate former Taliban fighters into Afghanistan society.
- 5. Enhances the capability of the U.S. armed forces and the security forces of allied and friendly nations to defeat al Qaeda, its affiliates, and other violent extremist organizations.**
- Authorizes the general purpose forces of the U.S. armed forces to train with the military forces and other security forces of a friendly foreign country if the Secretary of Defense determines that it is in the national security interests of the United States to do so.
  - Authorizes the Secretary of Defense – upon a determination from the President that it is in the national security interests of the United States – to use up to \$150.0 million of amounts authorized for the Coalition Support Fund account in fiscal years 2013 and 2014 to support the border security operations of the Jordanian Armed Forces.
  - Extends global train and equip (section “1206”) authority through 2018 to help build the capacity of foreign force partners to conduct counterterrorism and stability operations.

- Authorizes an increase of \$25.0 million to help address technology gaps identified by USSOCOM on its fleet of MQ-9 Reaper Unmanned Aerial Vehicles.
- Provides certain foreign governments with non-lethal assistance to support counternarcotics operations and expands the list of eligible countries to include Niger, Libya, Mali, and Chad.

**6. 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 (including ballistic missiles).**

- Requires the President to establish an interagency process to develop policy to control the proliferation of cyber weapons through unilateral and cooperative export controls, law enforcement activities, financial means, and diplomatic engagement.
- Requires the Secretary of Defense to develop a comprehensive strategy for integrating the reserve components into a total force solution to the manning requirements of Cyber Command to execute missions to protect the nation, support the combatant commands, and defend DOD networks.
- Includes a provision that would require the Missile Defense Agency to deploy an additional X-band radar, or comparable sensor, to support the defense of the homeland against long-range ballistic missile threats. This addresses the highest future investment priority identified by the Missile Defense Agency and the warfighter community for improving our homeland missile defense.
- Authorizes missile defense programs at \$9.3 billion, an increase of \$150.0 million above the budget request, including an increase of \$30.0 million for the Missile Defense Agency for deployment of an additional homeland ballistic missile defense radar.

**7. Addresses the threats from nuclear weapons and materials by strengthening nonproliferation programs, maintaining a credible nuclear deterrent, reducing the size of the nuclear weapons stockpile, and ensuring the safety, security, and reliability of the stockpile, the delivery systems, and the nuclear infrastructure.**

- Authorizes \$583.0 million Mixed Oxide (MOX) Fuel Program, an increase of \$80.0 million to the budget request. This would continue the program while allowing DOE/ National Nuclear Security Administration (NNSA) to perform a strategic analysis of the overall disposition effort, including the ways to lower cost and achieve efficiencies in the current program.
- Authorizes \$528 million for the Cooperative Threat Reduction (CTR) program, the requested amount, but would transfer funds from the programs that will end in Russia (\$75.0 million) to CTR nonproliferation efforts in the Middle East, particularly related to Syrian chemical weapons.
- Includes a provision that creates a Nuclear Command, Control and Communications in DOD to ensure the senior leadership communications systems are integrated and modernized.

- Requires a cost comparison for the interoperable warhead as well as the two strategic warheads it will replace to ensure the Congress understands the full cost (and risk) implications of the proposed program.
- Expresses the sense of Congress on the importance of maintaining a modernized triad, stockpile, and science behind it is consistent with the report required by Section 1043 of the fiscal year 2012 NDAA as amended and that the President and Congress should work to ensure the programs are conducted as efficiently as possible.
- Requires the Secretary of Energy to certify to Congress that DOE defense facilities containing special nuclear material at high security levels meets DOE standards for physical security and, for those that are de-certified, a plan reviewed by the Inspector General (IG) on how they will meet security standards.
- Requires a 20 year plan to implement exascale computing as part of the stockpile stewardship mission. Exascale is 1000 times faster than today's current high performance computers and will require a new generation of chip sets and computing algorithms. This provision will also advance the U.S. leadership role in high performance computing and modeling of our stockpile.

**8. Terminates troubled or unnecessary programs and activities, identifies efficiencies, and reduces defense expenditures in light of the Nation's budget deficit problems. Ensures the future capability, viability, and fiscal sustainability of the all-volunteer force.**

- Cuts \$1.34 billion from military construction and \$16.6 million from family housing from the requested amounts and applies the savings to the readiness accounts of the services to help address shortfalls created by sequestration.
- Cuts \$69.1 million in procurement for the XM25, Counter Defilade Target Engagement (CDTE) due to system unreliability and an Army decision to reconsider other weapons available to meet its requirement for a grenade launcher system that can fire programmable air burst munitions.
- Cuts \$29.0 million in research and development for Long Endurance Multi-Intelligence Vehicle (LEMV) program termination.
- Cuts \$49.5 million in procurement for the individual carbine based upon the Army's decision not to continue with the competitive evaluation program.
- Directs DOD to reduce the separate development and fielding of service-specific combat and camouflage utility uniforms and eventually have DOD return to the same combat uniform.
- Directs DOD to complete a comprehensive strategy and implementation plan for improving asset visibility tracking and in-transit visibility across DOD.

- Streamlines the quarterly readiness report to Congress.
- Directs GAO to review the readiness of DOD.
- Directs DOD to examine opportunities to seek greater efficiencies in small arms ammunition.

**9. Emphasizes the reduction of dependency on fossil fuels and seeks greater energy security and independence, pursues technological advances in traditional and alternative energy storage, power systems, operational energy tactical advantages, renewable energy production, and more energy efficient ground, air, and naval systems.**

- Directs DOD to ensure that the 2013 Quadrennial Defense Review (QDR) assessment includes a review of the extent of defense resources and budgets that would be required to successfully carry out an energy security strategy.
- Directs DOD to finalize energy metering data management plans.
- Directs DOD to designate a senior official to be responsible for the oversight of contingency basing policy.
- Directs DOD to report on the progress made to date regarding the memorandum of understanding signed by DOD and DOE to enhance energy security.
- Directs GAO to recommend how DOD can better determine and manage their fuel rates and working capital funds to purchase fuel.
- Directs DOD to report on the challenges and operational requirements for a small modular reactor of less than 10 megawatts.
- Authorizes \$150.0 million for the Energy Conservation Investment Program.

**10. Promotes aggressive and thorough oversight of DOD's programs and activities to ensure proper stewardship of taxpayer's dollars and compliance with relevant laws and regulations.**

- Requires DOD to develop a comprehensive plan to streamline management headquarters at all levels, with the objective of saving \$100 billion over 10 years.
- Amends cost cap legislation for the CVN-78 program to:
  - increase the cost cap \$12.887 billion as requested;
  - exclude from the cost cap potential cost increases in the shipboard testing program
  - require quarterly reports on the program manager's estimate for the CVN-79; and
  - freeze payments of fees if the program manager's estimate of total program costs for CVN-79 exceeds the cost cap.

- Requires GAO to review the Littoral Combat Ship (LCS) program to assess:
  - Sea frame production and testing, including:
    - sea frame developmental test activities;
    - weight management for both variants of the sea frame;
    - Navy plans for verifying survivability; and
    - any plans for achieving greater commonality between the variants, and progress made in executing such plans;
  - mission module development and testing;
  - lessons the Navy may be learning from the deployment of LCS-1 to Singapore;
  - Navy studies on LCS requirements and technical capabilities, and any recommendations for changes from those studies;
  - the role of the LCS Council in overseeing LCS acquisition and fleet introduction.
  
- Requires an annual GAO review of the VXX presidential helicopter program until the program begins full rate production.
  
- Adds \$35.9 million for the DOD IG to enable continued growth designed to provide more effective oversight and help identify waste, fraud, and abuse in DOD programs, especially in the area of procurement. DOD IG reviews resulted in savings of \$3.6 billion in FY12 – a return on investment of \$10.81 for every dollar appropriated.
  
- Cuts \$273.3 million from the Office of Economic Adjustment for projects ahead of need.
  
- Cuts \$74.5 million from Army ammunition procurement for excess amounts.
  
- Cuts \$25.4 million from Air Force and Navy classified programs.
  
- Cuts \$10.3 million from Army ammunition procurement accounts for ahead of need.
  
- Cuts \$7.0 million from the Office of the Under Secretary of Defense for Policy for unjustified growth.
  
- Cuts \$5.0 million from the Army for unjustified growth in U.S. European Command (EUCOM).
  
- Directs DOD to analyze foreign language support contracts.
  
- Directs the Army to implement actions to improve budget management in their working capital fund.
  
- Directs DOD to take corrective action to address inadequate tracking and recovery methods for organizational clothing and individual equipment.

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## **DETAILED DESCRIPTION BY SUBCOMMITTEE**

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### **FUNDING LEVELS**

The committee reported bill authorizes \$625.1 billion for national defense in fiscal year 2014. This total includes:

- \$526.6 billion for DOD base budget (\$9 million less than the budget request);
- \$80.7 billion for OCO (\$18 million less than the budget request); and
- \$17.8 billion for national security programs in the DOE (\$16 million less than the budget request).

### **SUBCOMMITTEE ON PERSONNEL**

Subcommittee Chairwoman Kirsten Gillibrand (D-NY) and Ranking Member Lindsey Graham (R-SC) continued to focus the Subcommittee on Personnel's attention on sustaining the quality of life of the men and women of the armed forces and their families, as well as DOD civilian personnel, through fair pay, policies, and benefits, including first rate health care, while addressing the needs of wounded, ill, and injured service members and their families. The subcommittee included the following funding and legislative provisions:

#### **End Strength**

- Authorizes fiscal year 2014 active duty end strengths for the Army of 520,000; the Navy, 323,600; the Marine Corps, 190,200; and the Air Force, 327,600.
- Authorizes reserve component end strengths consistent with the President's request.

#### **Military Personnel Policy**

- Authorizes service secretaries to award constructive service credit upon appointment as a commissioned officer for special experience or training in certain cyberspace-related fields and for advanced education in certain cyberspace-related fields beyond the baccalaureate level.
- Requires service secretaries to specify the number of officers that a selection board may recommend for removal from the reserve active-status list, and requires the secretary to submit a list of officers to the selection board that includes each officer on the reserve active-status list in the same grade and competitive category in the zone of consideration except for officers who have been approved for voluntary retirement or who will be involuntarily retired.
- Authorizes the transfer of Army and Air National Guard officers between the Selected Reserve and the inactive National Guard until December 31, 2016.

- Authorizes the School of Advanced Military Studies senior-level course at the Army Command and General Staff College to offer joint professional military education Phase II instruction and credit.
- Authorizes the Community College of the Air Force to award associate degrees to enlisted members of services other than the Air Force participating in joint-service medical training and education or instructors in such joint-service medical training and education.
- Enhances DOD credentialing programs by requiring that service secretaries: make information on civilian credentialing opportunities available to members at all stages of their careers; provide training and course information to civilian credentialing agencies; and include IT-related occupational specialties in the credentialing pilot program authorized in the FY 2012 NDAA.
- Changes the statutory reference in title 10 of North Georgia College and State University to University of North Georgia.
- Authorizes the award of more than one Medal of Honor, Distinguished Service Cross, or Distinguished Service Medal to a person whose subsequent acts justify additional awards.
- Authorizes the Secretary of the Army to award the Distinguished Service Cross to Robert F. Keiser for acts of valor during the Korean War.
- Authorizes the award of the Distinguished Service Cross to Sergeant First Class Patrick N. Watkins, Jr. for acts of valor during the Vietnam War.
- Requires the Secretary of Defense to report on the status of the search for Army Sergeant Bowe Bergdahl, who was captured by the Taliban on June 30, 2009.
- Establishes the “Army, Navy, Air Force, and Coast Guard Medal of Honor Roll” and requires service secretaries to record on this roll the name of each person who has been awarded a Medal of Honor.
- Expands categories of privileged information exempt from being maintained in personnel files maintained under the system for accounting for missing persons to include survival, evasion, resistance, and escape debriefing reports of certain persons returned to United States control under a promise of confidentiality.
- Requires the Deputy Assistant Secretary of Defense for Prisoner of War/Missing Personnel Affairs to conduct periodic briefings for families of missing persons on DOD activities to account for those persons.
- Requires the Secretary of Defense to personally approve any decision to cancel the deployment of a reserve component unit within 180 days of its scheduled deployment date when an active duty unit would be sent instead to perform the same mission, and requires the Secretary to inform the congressional defense committees and Governors whenever such a decision is made.

- Authorizes \$25.0 million in supplemental impact aid to local educational agencies with military dependent children and \$5.0 million in impact aid for schools with military dependent children with severe disabilities.
- Enhances DOD education assistance standards by requiring that participating schools be eligible for federal funding under title IV of the Higher Education Act.
- Restores fiscal year 2014 funding for the DOD STARBASE program.
- Requires the Secretary of Defense to report to the congressional defense committees no later than September 1, 2013, on DOD's use of the authority to retain dual status technicians as non-dual status technicians due to combat-related injuries.
- Directs the Secretary of Defense to report on DOD's current capabilities to track the suicides of military family members.
- Requires the Secretary of Defense to assess the feasibility of utilizing innovative tools to screen service members for mental health conditions and risk for suicide.
- Modifies eligibility for appointment of Judges on the United States Court of Appeals for the Armed Forces.
- Expresses the sense of the Senate on the consideration of military deployments in child custody cases.
- Expresses the committee's concern over unemployment of veterans and the cost to DOD of complying with State unemployment compensation requirements.
- Recommends that the Secretary of Defense develop a plan for the adjustment of the number of General and Flag Officer billets.
- Requires the Secretary of Defense to report on DOD's progress in implementing recommendations of the Military Leadership Diversity Commission.
- Requires the Secretary of Defense to report on retention, career progression, and promotion opportunities for female service members.
- Requires the Secretary of Defense to report on the availability of a violent crime offender's group treatment program.
- Modifies Article 125 of the Uniform Code of Military Justice to remove the offense of consensual sodomy.
- Expresses the sense of the Senate supporting the Troops to Teachers Program.
- Enhances the military whistleblower statute.
- Requires the Secretary of Defense to submit a report on DOD child development center hiring and personnel practices.

- Requires the Chief of the National Guard Bureau to conduct the day-to-day activities of the National Guard Youth Challenge Program.
- Requires the armed forces to accommodate individual expressions of belief unless such expressions could adversely impact military readiness, unit cohesion, or good order and discipline.
- Requires the DOD IG to assess DOD's compliance with regulations implementing section 533 of the NDAA for Fiscal Year 2013 concerning conscience protections for service members.

### **Sexual Assault Prevention and Response**

- Amends Article 60 of the Uniform Code of Military Justice to limit the authority of a convening authority to modify the findings of a court-martial to specified sexual offenses.
- Requires automatic higher-level review of any decision by a commander not to prosecute a sexual assault allegation, with the review going all the way to the service secretary in any case in which the commander disagrees with the military lawyer's recommendation to prosecute.
- Makes retaliation against service members for reporting criminal offenses a punishable offense under the Uniform Code of Military Justice.
- Expresses the sense of the Senate that commanding officers should be held accountable for maintaining a command climate in which sexual assault allegations are properly managed and fairly evaluated, and victims can report criminal activity, including sexual assault, without fear of retaliation.
- Eliminates the element of the character of the accused from the factors a commander should consider in deciding how to dispose of an offense.
- Requires commanding officers to immediately refer to the appropriate military criminal investigation organization reports of sexual-related offenses involving service members in the commander's chain of command.
- Expresses the sense of the Senate that charges of rape, sexual assault, forcible sodomy, or attempts to commit these offenses should be disposed of by court-martial rather than by non-judicial punishment or administrative action, and that the disposition authority should include in the case file a justification in any case where these charges are disposed of by non-judicial punishment or administrative action.
- Requires that substantiated complaints of a sexual-related offense resulting in a court-martial conviction, non-judicial punishment, or administrative action be noted in the service record of the service member, regardless of the member's grade.

- Requires the Secretary of Defense to ensure that forms relating to restricted reports and unrestricted reports of sexual assault are retained for at least 50 years.
- Requires service secretaries to provide a Special Victims' Counsel to provide legal advice and assistance to service members who are victims of a sexual assault committed by a member of the armed forces.
- Enhances the responsibilities of the Sexual Assault Prevention and Response Office for DOD's sexual assault prevention and response program.
- Requires the Secretary of Defense to report on whether legislative action is required to modify the Uniform Code of Military Justice to prohibit sexual acts and contacts between military instructors and their trainees.
- Requires service secretaries to ensure that each member of the National Guard or Reserve who is the victim of a sexual assault either during the performance of duties as a member of the National Guard or Reserves, or is a victim of a sexual assault by another member of the Guard or Reserve, has access to a Sexual Assault Response Coordinator not later than two business days following a request for such assistance.
- Requires the Secretary of Defense to conduct a comprehensive review of the adequacy of training for members of the armed forces on sexual assault prevention and response.
- Requires the DOD IG to review and investigate allegations of retaliatory personnel actions for making a protected communication regarding violations of law or regulation that prohibit rape, sexual assault or other sexual misconduct.
- Authorizes service secretaries to provide guidelines for temporary reassignment of a member on active duty who is accused of committing a sexual assault offense.
- Assigns additional issues for consideration by the Independent Panel on Sexual Assaults in the military.
- Requires DOD to conduct a comprehensive review of civilian law enforcement best practices in sexual assault prevention and response.
- Eliminates the five-year statute of limitations on trial by court-martial for certain sexual-related offenses.
- Expresses the committee's concern with the use of imprecisely defined terms to present statistics on the number of incidences of rape, sexual assault, forcible sodomy, and other unwanted sexual acts in the military.
- Includes the Coast Guard in the requirement to develop regulations to provide for the expedited transfer of sexual assault victims.

- Directs the Secretary of Defense to report on the prevalence of service members being convicted of sexual offenses in the civilian justice system without command knowledge.
- Directs the Secretary of Defense to submit a report outlining DOD's plan to ensure that health care providers are appropriately trained, accredited, and located as necessary to properly manage sexual assault victims' medical needs.
- Codifies a prohibition on military service by individuals convicted of sexual offenses.
- Requires the Independent Panel on Sexual Assaults in the military to report no later than one year from the first meeting of the panel.
- Improves requirements for selection and assignment to Sexual Assault Prevention and Response billets.
- Requires a report on training for sexual assault first responders.
- Requires the Secretary of Defense to recommend to the President modifications to the Manual for Courts-Martial and to prescribe regulations to enforce the rights of victims of military crimes.
- Expresses the sense of the Senate that discharges in lieu of court-martial for sexual offenses should be used sparingly.
- Requires the Secretary of Defense to report on DOD efforts to comply with statutory requirements that prohibit sexually explicit material from being sold on DOD property.
- Requires defense counsel to make requests to interview complaining witnesses in court-martials through the trial counsel, and, if requested by the witness, requires that defense counsel interviews take place in the presence of the trial counsel, counsel for the witness, or outside counsel.

### **Military Pay and Compensation**

- Authorizes \$136.8 billion for military personnel, including costs of pay, allowances, bonuses, death benefits, and permanent change of station moves.
- Authorizes a 1 percent across-the-board pay raise for all members of the uniformed services, consistent with the President's request.
- Reauthorizes over 30 types of bonuses and special pays aimed at encouraging enlistment, reenlistment, and continued service by active duty and reserve component military personnel.
- Extends for 1 year the authority to temporarily increase the rates for the basic allowance for housing in areas impacted by natural disasters or experiencing a sudden influx of personnel.

- Extends for 1 year the authority to pay certain travel expenses for inactive duty training outside of normal commuting distance.
- Extends authority to all reserve components to pay the health professions stipend to nurses in critical specialties.
- Authorizes the payment of certain expenses for the care and disposition of human remains retained by a service secretary pursuant to a forensic pathology investigation by the Armed Forces Medical Examiner.
- Clarifies the applicability of the retired pay inversion statute to retirees who first entered active duty on or after September 8, 1980 (“high-3 retirees”).
- Authorizes the Secretary of the Army to continue through December 31, 2015, certain pilot programs for recruiting.
- Eliminates requirement for continued certification for financial support in the case of a dependent granted a permanent ID card for permanent disability when the member or retiree providing the basis for dependency dies or becomes permanently incapacitated.
- Removes the existing limitation on when members of the National Guard are entitled to receive basic pay when called into federal service for a period of 30 days or less.
- Requires the service secretaries to provide periodic notice to reserve component members who have earned early retirement credit.
- Authorizes the payment of the Survivor Benefit Plan annuity to a special needs trust for the sole benefit of a disabled dependent child incapable of self-support because of mental or physical incapacity.
- Clarifies the effect of an election to receive combat-related special compensation after a previous election to receive concurrent retirement and disability compensation was made concerning the division of retired pay.
- Grants enforcement authority over the Military Lending Act to the Department of Justice.

### **Health Care**

- Authorizes \$33.3 billion for the Defense Health Program.
- Does not include DOD proposals to establish or increase health care fees, deductibles, and copayments that would primarily affect working-age military retirees and their families.

- Expresses committee concern about the high rates of emergency room utilization, current DOD regulations requiring pre-authorization for visits to urgent care clinics, and delays in implementing the DOD 24-hour nurse advice line.
- Directs the Secretary of Defense to report on the current TRICARE appeals process.
- Directs the Secretary of Defense and Secretary of Veterans Affairs to develop a coordinated, unified plan to ensure adequate mental health counseling resources to address the long-term needs of all service members, veterans, and their families.
- Directs the Secretary of Defense to report on the outcomes of three ongoing pilot studies on the provision of hyperbaric oxygen services to patients with mild traumatic brain injury.
- Authorizes \$143.1 million for the joint DOD-VA fund to operate the Captain James A. Lovell Federal Health Care Center.
- Expresses the committee's expectation that DOD continue to assist eligible autistic beneficiaries to receive effective, evidence-based intervention and treatment approaches, and to ensure the provision of these services for dependents living in rural or underserved communities.
- Requires the Secretary of Defense to conduct a pilot program to assess the feasibility of using enhanced recovery practices for collection of third party medical claims.
- Expresses committee support for DOD investment to further infectious disease research, including initiatives such as ribonucleic acid-based research.
- Encourages DOD to expedite wherever practicable the transition to human-based medical training methods and replacement of live animals in combat trauma training courses where appropriate.
- Requires the Secretary of Defense to report actions to correct the education and training challenges facing the TRICARE acquisition workforce.
- Requires the Secretary of Defense and the Secretary of Veterans Affairs to jointly submit a report on plans to ensure that the most clinically appropriate and technologically advanced prosthetics and orthotics are made available to injured service members and veterans.
- Expresses the sense of the Senate on gaps in implementation of the DOD-VA integrated electronic health record.
- Authorizes the Uniformed Services University of the Health Sciences to support undergraduate and certification training programs for military medical personnel.

## **Civilian Personnel**

- Extends until 2018 existing authority to allow certain DOD civilian employees to volunteer for reduction-in-force separations.
- Extends until 2018 existing authority for DOD to pay the total amount of severance pay to a civilian employee in one lump sum.
- Extends through 2020 existing authority for DOD to use the same appointment and pay authorities as the VA in order to recruit and retain civilian health care professionals.
- Aligns whistleblower protections for non-appropriated fund employees with those of other DOD civilian personnel.
- Provides hiring and compensation authority for civilian faculty at the Defense Institute for Security Assistance Management and the Joint Special Operations University.
- Expresses committee concern about DOD's decision to cancel the Executive Leadership Development Program for mid-career civilian personnel due to sequestration.
- Updates the definition of a non-appropriated fund employee to accurately reflect current programs.
- Authorizes through 2019 DOD laboratories to directly hire qualified candidates possessing bachelor's degrees as well as qualified veterans.

## **Armed Forces Retirement Home**

- Authorizes \$67.8 million for operation of the Armed Forces Retirement Home.

## **SUBCOMMITTEE ON AIRLAND**

Under the leadership of Chairman Joe Manchin (D-WV) and Ranking Member Roger Wicker (R-MS), the Subcommittee on Airland followed Chairman Levin's full committee markup guidelines, in particular to provide what is needed to succeed in combat and stability operations, to restore the readiness of Army ground forces, and Air Force and Navy tactical air systems, to enhance the capability of the armed forces to conduct operations across the spectrum of peace and conflict, and to improve efficiency of programs and apply the savings toward high-priority programs. Specifically, the subcommittee included the following budget recommendations and legislative provisions:

### **Army**

- Authorizes \$592.2 million for continued Ground Combat Vehicle (GCV) development.
- Authorizes \$374.1 million to convert flat-bottom Stryker vehicles to more survivable double-V hull configuration.

- Authorizes \$84.2 million in Army and \$50.4 million in Marine Corps research and development for the Joint Light Tactical Vehicle (JLTV).
- Authorizes \$116.3 million to fund a development contract beginning in FY 2014 for the Armored Multi-purpose Vehicle (AMPV), an armored vehicle to replace the M113 family of armored personnel carriers in the armored brigades.
- Authorizes \$340.0 million (research and development and procurement) for continued development and prototyping of the next generation Paladin Integrated Management program (PIM) self-propelled howitzer artillery system.
- Authorizes \$96.2 million in procurement for LUH. Army production and purchase of UH-72A Light Utility Helicopter (LUH). Army National Guard requirement for 212 aircraft is completed with this buy.
- Authorizes \$1.2 billion in procurement for UH-60 Blackhawk.
- Authorizes \$1.1 billion in procurement for CH-47F Chinook helicopters.
- Authorizes \$759.4 million in procurement for remanufactured AH-64E Apache attack helicopters.
- Authorizes \$973.4 million in procurement for increments 1 and 2 of the Warfighter Information Network-Tactical (WIN-T) networking system.
- Authorizes \$382.9 million in procurement for low rate initial production of the Joint Tactical Radio System (JTRS) rifleman and manpack radios.
- Cuts \$69.1 million in procurement for the XM25, Counter Defilade Target Engagement (CDTE) due to system unreliability and an Army decision to reconsider other weapons available to meet its requirement for a grenade launcher system that can fire programmable air burst munitions.
- Cuts \$29.0 million in research and development for Long Endurance Multi-Intelligence Vehicle (LEMV) program termination.
- Cuts \$49.5 million in procurement for the individual carbine based upon the Army's decision to not continue with the competitive evaluation program.
- Requires the Secretary of Defense to report on plans for the disposition of the MRAP fleets.
- Expresses the sense of the Senate that DOD should take into consideration the health of the United States helicopter industry in building its annual budget request.

## **Air Force and Naval Aviation**

- Authorizes \$2.0 billion in procurement for EF-18G Growler electronic warfare aircraft.
- Authorizes \$1.3 billion in procurement for E-2D Hawkeye aircraft.
- Authorizes \$2.8 billion for Navy and \$3.6 billion for Air Force Joint Strike Fighter aircraft.
- Authorizes \$354.6 million for F-15 and \$285.8 million for F-22 aircraft modifications.
- Authorizes \$1.9 billion for C/HC/MC/AC-130J cargo aircraft.
- Authorizes \$47.3 million for C-130 legacy aircraft avionics modernization.
- Authorizes \$230.8 million for CV-22 aircraft.
- Authorizes \$1.6 billion in research and development to continue development of the KC-46A, the next-generation aerial refueling aircraft.
- Authorizes \$242.2 million to buy 12 MQ-9 remotely piloted aircraft.
- Authorizes \$57.5 million to modernize E-8 JSARS aircraft.
- Authorizes \$197.1 million to modernize E-3 AWACS aircraft.
- Authorizes the Secretary of the Navy to enter into a multi-year procurement contract for the E-2D aircraft.
- Authorizes the Secretary of the Air Force to enter into a multiyear procurement contract for the C-130J aircraft.
- Repeals the law requiring the Secretary of the Air Force to maintain at least 74 of the KC-135E aircraft retired after 2006 in a condition that would allow for their recall to future service
- Requires the Secretary of the Air Force to consider fuel efficiency upgrades for legacy models of the C-130 cargo aircraft.
- Requires the Secretary of the Air Force to report on the requirements and allocation of aircraft for the Civil Air Patrol

## **SUBCOMMITTEE ON EMERGING THREATS AND CAPABILITIES**

The Subcommittee on Emerging Threats and Capabilities, under the leadership of Chairman Kay Hagan (D-NC) and Ranking Member Deb Fischer (R-NE), focused on improving DOD capabilities to protect the Nation against emerging threats, including terrorism and the

proliferation of weapons of mass destruction, and helping to transform U.S. forces to meet future threats. The subcommittee authorized increased investments in cutting-edge science and technology programs, funding for unfunded requirements identified by special operations forces, and recommended improvements in programs to combat terrorism and violent extremism. Specifically, the subcommittee included the following funding and legislative provisions:

### **Special Operations**

- Authorizes \$7.64 billion for U.S. Special Operations Command (USSOCOM) in base budget funding and \$2.25 billion for OCO.
- Authorizes an increase of \$25.0 million to help address technology gaps identified by USSOCOM on its fleet of MQ-9 Reaper Unmanned Aerial Vehicles.
- Expresses support for USSOCOM use of special operations-unique funding for family support programs related to the combat readiness of the service member and requires a report by the Under Secretary of Defense for Personnel and Readiness, in coordination with the Commander of USSOCOM, on the adequacy of other family support programs provided by the services in support of the special operations community.
- Prohibits expenditure of funds for USSOCOM – National Capital Region (USSOCOM-NCR) until the Secretary of Defense provides a report to the congressional defense committees on the purpose and costs associated with the USSOCOM-NCR, among other things.
- Prohibits expenditure of funds for Regional Special Operations Coordination Centers (RSCC) and requires the Assistant Secretary of Defense for Special Operations and Low-Intensity Conflict, in coordination with the Commander of USSOCOM, to provide a report on the RSCC's purpose, cost, and coordination with other multilateral engagement efforts, among other things.
- Prohibits expenditure of funds for the Trans Regional Web Initiative and encourages the DOD to spend such funds on tactical and operational military information support activities instead.
- Extends, for two additional years, the authority of DOD to establish, develop, and maintain non-conventional assisted recovery capabilities.

### **Nonproliferation and Threat Reduction Programs**

- Authorizes \$528.0 million for the CTR program, the requested amount, but would transfer funds from the programs that will end in Russia (\$75.0 million) to CTR nonproliferation efforts in the Middle East, particularly related to Syrian chemical weapons.
- Requires the President to provide a long-term strategy to the Congress for the CTR program in the Middle East and North Africa to stem the proliferation of weapons of mass destruction.

- Authorizes \$583.0 million MOX Fuel Program, an increase of \$80.0 million to the budget request. This would continue the program while allowing DOE/NNSA to perform a strategic analysis of the overall disposition effort, including the ways to lower cost and achieve efficiencies in the current program.

### **Assistance and Training**

- Extends the DOD Ministry of Defense Advisor program, which permits the Secretary of Defense to deploy DOD civilians overseas to advise foreign ministries of defense on a variety of matters.
- Extends and modifies DOD's authority to provide certain types of assistance to the foreign militaries that are contributing to the ongoing operation to remove Joseph Kony and the top lieutenants of the Lord's Resistance Army from the battlefield.
- Authorizes the general purpose forces of the U.S. Armed Forces to train with the military forces and other security forces of a friendly foreign country if the Secretary of Defense determines that it is in the national security interests of the United States to do so.
- Directs the Secretary of Defense to develop a regional strategic framework for U.S. counterterrorism assistance and cooperation in North Africa.
- Reduces by \$12.0 million funding for the five regional centers for security studies and reduces by \$7.0 million funding for the Counterterrorism Fellowship Program.
- Directs the Secretary of Defense to formulate a strategy for military-to-military cooperation, including security assistance, professional military education, information sharing, and training between the U.S. Armed Forces and the Somali National Security Forces.

### **Improvised Explosive Device Defeat**

- Authorizes nearly \$1.0 billion for DOD counter-IED efforts to defeat the device, attack the network, and train the force.

### **Research, Development, Test, & Evaluation (including Science & Technology)**

- Authorizes DOD labs, through 2019, to direct hire qualified candidates possessing bachelor's degrees as well as qualified veterans.
- Reauthorizes, until 2017, DOD's ability to carry out programs to award cash prizes (prize authority) in recognition of outstanding achievements in scientific and technical research and development.

- Reauthorizes, until 2020, DOD laboratories' ability to use up to 3 percent of their funds for internal research and development, workforce development, and limited laboratory revitalization activities.
- Prohibits the use of funds in the Conventional Prompt Global Strike (CPGS) program for submarine-launched systems until the Under Secretary of Defense for Policy submits a report addressing the policy considerations regarding the launch of CPGS missiles from submarines.
- Authorizes \$150.0 million for the Rapid Innovation Program (RIP) for competitive, merit-based projects in three broad areas: nearer-term emerging technologies; breakthrough technologies for future military capabilities; and improvements in the affordability of defense operations. Directs GAO to report on the execution of RIP.
- Authorizes an increase of \$25.0 million for a long-standing competitive, merit-based program for innovative manufacturing technologies.
- Authorizes \$15.0 million for DOD's counter terrorism, counter insurgency, and exploitation of human terrain in conflict efforts, ensuring adequate time to transition defense-wide research and development activities to the Services given the termination of this program in FY14.

#### **DOD Counternarcotics Program**

- Renews three longstanding counter-narcotics train and equip programs, including:
  - Authority for a joint task force conducting counter-narcotics training and assistance to a foreign government to also provide counterterrorism training and assistance.
  - Authority to provide support to the Colombia unified counterterrorism and counternarcotics program.
  - Authority to provide certain foreign governments with non-lethal assistance to support counternarcotics operations and expands the list of eligible countries to include Niger, Libya, Mali, and Chad.
- Authorizes more than \$1.3 billion for the DOD counternarcotics program across the base and OCO budgets.

#### **Chemical and Biological Matters**

- Authorizes \$1.5 billion for the Chemical and Biological Defense Program, the amount requested in the budget.
- Authorizes \$1.2 billion for chemical demilitarization programs, the amount requested in the budget.
- Authorizes DOD to provide assistance to foreign military and civilian first responders to improve their ability to respond to an incident involving weapons of mass destruction.

## **SUBCOMMITTEE ON STRATEGIC FORCES**

Under the leadership of the Chairman Mark Udall (D-CO), and Ranking Member Jeff Sessions (R-AL), the Subcommittee on Strategic Forces reviewed DOD programs for national security space, strategic forces, ballistic missile defenses, intelligence, security, and reconnaissance, and cyber security, as well as DOE nuclear and environmental management programs. Specifically, the subcommittee included the following funding and legislative provisions:

### **Ballistic Missile Defense**

- Includes a provision that would require the Missile Defense Agency to deploy an additional X-band radar, or comparable sensor, to support the defense of the homeland against long-range ballistic missile threats. This provision addresses the highest future investment priority identified by the Missile Defense Agency and the warfighter community for improving our homeland missile defense.
- Expresses the sense of Congress on homeland ballistic missile defense, and would require the Secretary of Defense to evaluate and report to Congress on the advantages and disadvantages of a range of potential future options for enhancing homeland ballistic missile defense, including the possible deployment of a missile defense interceptor site on the East Coast.
- Expresses the sense of Congress on regional ballistic missile defenses, including the European Phased Adaptive Approach and regional responses to North Korean provocations, and would require the Secretary of Defense to report on the status and progress of regional missile defense programs.
- Includes a provision that would require DOD to evaluate and report on options for future missile defense sensor architectures.
- Expresses the sense of Congress that it is in the national security interest to pursue efforts at missile defense cooperation with Russia that would enhance our security, particularly against missile threats from Iran. It would also prohibit the use of fiscal year 2014 funds to provide sensitive missile defense information to Russia that could compromise our national security.
- Authorizes missile defense programs at \$9.3 billion, an increase of \$150.0 million above the budget request.
- Authorizes an increase of \$30.0 million for the Missile Defense Agency for deployment of an additional radar for homeland ballistic missile defense.
- Authorizes an increase of \$150.0 million to accelerate and enhance US-Israeli cooperative missile defense programs, including \$30.0 million to improve the Arrow Weapon System; \$20.0 million for development of the Arrow-3 upper-tier interceptor; and \$100.0 million for the David's Sling short-range missile defense system. It would

also authorize the budget request of \$220.0 million in funding for Israel to procure more Iron Dome short-range rocket defense system batteries and interceptors.

### **Strategic Systems**

- Ensures coordination between DOD and DOE on nuclear security programs by requiring a report by the Nuclear Weapons Council on joint DOD – DOE activities to share best practices and procedures for nuclear material security.
- Includes a provision that creates a Nuclear Command, Control and Communications Council in DOD to ensure the senior leadership communications systems are integrated and modernized.
- Requires a cost comparison for the interoperable warhead as well as the two strategic warheads it will replace to ensure the Congress understands the full cost (and risk) implications of the proposed program.
- Amends section 131(a) of the 2007 NDAA to permit B-52H aircraft to be modified for conventional only missions.
- Expresses the sense of the Congress on the importance of maintaining a modernized triad, stockpile and science behind it consistent with the report required by section 1043 of the fiscal year 2012 NDAA, as amended, and that the President and Congress should work to ensure the programs are conducted as efficiently as possible.
- Modifies due date for the section 1043 report to 60 days after budget submission. The provision requires a briefing within 30 days after budget submission to the congressional defense committees if the DOD and the DOE anticipate they will not be able to comply with the 60 day due date.
- Authorizes continued modernization and development of bomber fleets to include B-1 and B-52 and begins Long Range Strike design and development.

### **Space Programs**

- Requires a business case analysis of satellite systems that propose to use dedicated control systems instead of shared control systems to help control costs.
- Ensures the DOD is represented adequately at all dispute resolution forums for spectrum if a decision is made requiring DOD to relocate without their consent.
- Requires a strategy on 5, 10, and 30 year basis for national security needs for spectrum.
- Requires a plan to account for and mitigate any decertification of cryptographic systems during the acquisition of a major defense acquisition program.

- Requires a short and long term plan for protecting our space assets and fences \$10.0 million in funding for the current space protection program until the existing report on space protection is delivered to Congress.
- Adds \$10.0 million to the Operationally Responsive Space program, which was proposed to have no funding in FY14. The \$10.0 million will enable the program to continue designing a low cost weather satellite.

### **Cyber Security**

- Requires the President to establish an interagency process to develop policy to control the proliferation of cyber weapons through unilateral and cooperative export controls, law enforcement activities, financial means, and diplomatic engagement.
- Requires the Secretary of Defense to develop a comprehensive strategy for integrating the reserve components into a total force solution to the manning requirements of Cyber Command to execute missions to protect the nation, support the combatant commands, and defend DOD networks.
- Strengthens DOD oversight/management of Cyber Command, the authorities of the Command, its infrastructure, and its training ranges and training capabilities.
- Requires the President to establish an interagency process to develop an integrated policy to deter adversaries in cyberspace.

### **Intelligence**

- Requires the Secretary of Defense and the Director of National Intelligence (DNI) to assess the potential cost savings and effectiveness improvements from consolidating clandestine human intelligence collection in the National Clandestine Service managed by the Central Intelligence Agency (CIA).
- Directs the Secretary of Defense, in coordination with the DNI, to reform and modernize the security clearance process.
- Requires the Secretary of Defense to improve the supervision of service and defense agency requirements and development programs for cloud computing solutions for intelligence analysis and to integrate those activities into larger DOD and intelligence community computing and network architectures.
- Requires the Secretary of Defense to transfer the Air Force C-12 Liberty intelligence, surveillance, and reconnaissance aircraft to the Army and elements of U.S. Special Operations Command.

### **Department of Energy Programs**

- Increases the design threshold of major construction projects from \$600,000 to \$1.2 million.

- Requires the NNSA to develop an integrated plutonium strategy across all phases of its mission.
- Requires an unclassified version of the system acquisition reports with a classified annex.
- Requires the Secretary of Energy to certify to Congress that DOE defense facilities containing special nuclear material at high security levels meets DOE standards for physical security and, for those that are de-certified, a plan reviewed by the IG on how they will meet security standards.
- Requires a 20-year plan to implement exascale computing as part of the stockpile stewardship mission. Exascale is 1000 times faster than today's current high performance computers and will require a new generation of chip sets and computing algorithms. This provision will also advance the U.S. leadership role in high performance computing.
- Changes the date of the interim report by the congressional panel on the NNSA from 180 days after enactment of the FY2013 NDAA to 180 days after the first meeting of the panel.
- Requires a common financial accounting system at the NNSA sites so that an assessment can be made on how efficient some NNSA sites are in their performance compared to others.
- Establishes a Cost Analysis and Program Evaluation Office in the NNSA to help control costs of construction and weapons life time extension programs.

### **Defense Nuclear Facilities Safety Board**

- Authorizes funding at \$29.9 million.

### **SUBCOMMITTEE ON SEAPOWER**

Under the leadership of the Chairman Jack Reed (D-RI) and Ranking Member John McCain (R-AZ), the Subcommittee on Seapower focused on the needs of the Navy, Marine Corps, and strategic mobility forces. The subcommittee put particular emphasis on supporting marine and naval forces engaged in combat operations, improving efficiencies, and applying the savings to higher-priority programs. Specifically, the subcommittee included the following funding and legislative provisions:

- Amends cost cap legislation for the CVN-78 program to:
  - increase the cost cap to \$12.887 billion as requested;
  - exclude from the cost cap potential cost increases in the shipboard testing program;
  - require quarterly reports on the program manager's estimate for the CVN-79; and
  - freeze payments of fees if the program manager's estimate of total program costs for CVN-79 exceeds the cost cap.

- Requires the GAO to conduct a review of the CVN-78 program to assess Navy program management and cost control measures, DOD analysis underpinning the Navy's current capability estimates for CVN-78, and implementation of shipbuilder plans to manage the workforce during concurrent construction of CVN-78 and CVN-79.
- Requires the Chief of Naval Operations (CNO), coordinating with the Director, Operational Test and Evaluation, to submit a report on the current LCS concept of operations and expected survivability attributes of each LCS sea frame when employed according to the Navy's concept of operations.
- Requires the CNO to submit an assessment of capabilities versus likely threats over the period of the 30-year shipbuilding plan to provide metrics that focus on capabilities of ships in the fleet, not just numbers.
- Requires GAO to review the LCS program to assess:
  - Sea frame production and testing, including:
    - Sea frame developmental test activities;
    - weight management for both variants of the sea frame;
    - Navy plans for verifying survivability; and
    - any plans for achieving greater commonality between the variants, and progress made in executing such plans;
  - mission module development and testing;
  - lessons the Navy may be learning from the deployment of LCS-1 to Singapore;
  - Navy studies on LCS requirements and technical capabilities, and any recommendations for changes from those studies;
  - the role of the LCS Council in overseeing LCS acquisition and fleet introduction.
- Requires an annual GAO review of the VXX presidential helicopter program until the program begins full rate production.
- Provides an additional \$100.0 million to support buying the tenth DDG-51 under the current multiyear procurement program.
- Encourages the Navy to continue operating cruisers and dock landing ships with funds from the Ship Modernization, Operations and Sustainment Fund.
- Modifies legislation that mandates the annual 30-year shipbuilding plan to include two new requirements: (1) identify assumed ship prices in the plan; and (2) require an assessment of operational risks whenever the number or capabilities of ships in the plan does not meet requirements.

#### **SUBCOMMITTEE ON READINESS AND MANAGEMENT SUPPORT**

Subcommittee Chairman Jeanne Shaheen (D-NH) and Ranking Member Kelly Ayotte (R-NH) focused the subcommittee's efforts on: (1) improving the readiness of our armed forces; (2) ensuring that members of the armed forces and their families have access to appropriate facilities, including family housing; and (3) addressing problems in the management and efficiency of DOD. The subcommittee

included the following funding and legislative provisions:

### **Operation & Maintenance and Procurement Funding Items**

- Cuts \$273.3 million from the Office of Economic Adjustment for projects ahead of need.
- Cuts \$74.5 million from Army ammunition procurement accounts, based on feedback from the Army, which it judged to be excess of need.
- Cuts \$25.4 million from Air Force and Navy O&M in classified programs.
- Cuts \$10.3 million from one Army ammunition procurement account, based on Army budget documentation that the ammunition is not approved for use.
- Cuts \$7.0 million from the Office of the Under Secretary of Defense for Policy for unjustified growth.
- Cuts \$5.0 million from Army O&M for unjustified growth in EUCOM.
- Adds \$732.2 million in Army O&M funding to address readiness problems caused by fiscal year 2013 sequestration.
- Adds \$571.9 million in Air Force O&M to address readiness problems caused by fiscal year 2013 sequestration.
- Adds \$448.5 million in Navy O&M to address readiness problems caused by fiscal year 2013 sequestration.
- Adds \$56.0 million in Marine Corps O&M to address readiness problems caused by fiscal year 2013 sequestration.
- Adds \$56.3 million in Army O&M OCO for a terrain data program as a result of a Joint Urgent Operational Need request from the DOD.
- Adds \$35.9 million for the DOD IG, to enable the IG to continue growth designed to provide more effective oversight and help identify waste, fraud, and abuse in DOD programs, especially in the area of procurement. DOD IG reviews resulted in savings of \$3.6 billion in FY12 – a return on investment of \$10.81 for every dollar appropriated.
- Transfers \$106.0 million from JIEDDO's OCO procurement fund to the Army and Marine Corps' O&M OCO accounts to train service members prior to deployment on counter-IED tactics, techniques, and procedures.

### **Military Construction and Basing Issues**

- Authorizes \$9.66 billion for military construction, housing programs, energy conservation, and base closure activities.

- Cuts \$1.34 billion from military construction and \$16.6 million from family housing from the requested amounts and applies the savings to the readiness accounts of the services to help address shortfalls created by sequestration.
  - Reductions to the budget request include \$640.2 million in incrementally funded projects to prevent waste through more efficient cash flow of large projects; \$446.7 million in new military construction projects in Europe pending completion of DOD's European Infrastructure Consolidation review; and \$238.3 million on Guam.
- Authorizes \$150.0 million for the Energy Conservation Investment Program.
- Declines to authorize a new Base Realignment and Closure round in 2015.
- Prohibits authorization of a future Base Realignment and Closure round until the DOD completes and submits to Congress a formal review of overseas military facility structure.
- Requires the Under Secretary of Defense for Installations and Environment to produce a report on the costs and savings associated with joint basing decisions from the 2005 Base Realignment and Closure round.
- Extends the prohibition on funds for the realignment of Marine Corps' forces from Okinawa to Guam or other Pacific locations until DOD provides a master plan for construction and the Commander of U.S. Pacific Command provides an assessment of the strategic and logistical resources the distributed laydown requires to meet contingency operations plans, among other things. The provision includes an exception for facilities that would have military value independent of the movement of Marines from Okinawa to Guam.
- Requires that future military construction projects funded using in-kind payments from partner nations under an international agreement be submitted for congressional authorization in the Military Construction Authorization Act.
- Requires the Army to award a contract for the renovation of the MacArthur Short Barracks at the United States Military Academy (USMA), New York, before any fiscal year 2014 funding is obligated or expended for construction of new barracks at the USMA.
- Designates the Asia-Pacific Center for Security Studies as the Daniel K. Inouye Asia-Pacific Center for Security Studies.
- Extends the authority, for one year, of the Secretary of Defense to use operation and maintenance funds to construct temporary facilities supporting U.S. military operations in the U.S. Central Command and specified countries in the U.S. Africa Command area of responsibility.

- Expresses concern about the lack of detail contained in Military Construction Project Data Sheets, also known as DD Form 1391s, accompanying the budget request and directs the Secretary of Defense to include more descriptive information, including accurate definitions of the scope, cost, and purpose of requested facilities, to better enable the committee's authorization and oversight of military construction projects.
- Authorizes the Secretary of Defense to sell or exchange the Mt. Soledad Veterans' Memorial in San Diego, California, to an eligible entity on the condition that it continues to be maintained as a veterans' memorial.
- Directs GAO to conduct a review of costs incurred to Army Military Housing Privatization Initiative accounts as a result of litigation activities.
- Requires an analysis and report by the Secretary of Defense regarding the trends in traffic accidents at installations with 25,000 or more permanently assigned service members, contributing factors to such accidents, and recommended solutions.
- Expresses concern about payments made to service members in error under the Homeowners Assistance Program.
- Recommends that DOD policy for sustainable building provide for consideration of several sustainable building certification systems.
- Requires a report on the resiliency plans for U.S. military infrastructure in the Asia-Pacific.

#### **Acquisition Policy and Defense Management Provisions**

- Creates an Under Secretary of Defense for Management and designates that new position as the Deputy Chief Management Officer and Chief Information Officer of DOD.
- Resets the cap on allowable costs of compensation of contractor employees to \$487,000, which is the original cap adjusted for inflation, and ties future adjustments to changes in the Employment Cost Index for all workers, as calculated by the Bureau of Labor and Statistics.
- Expands section 841 of the FY13 NDAA, Contracting with the Enemy, to all combatant commands. Each combatant command would designate an intelligence cell to determine whether a recipient of a United States contract, grant, or cooperative agreement is providing support to a force within the area of responsibility of such combatant command against which the United States is actively engaged in hostilities in accordance with the law of war. If so found, the appropriate head of contracting activity may terminate or void the contract, grant, or cooperative agreement and restrict future awards to such person or entity. The individual or entity would be provided with post-deprivation due process within 30 days of the receipt of notification.
- Requires the U.S. Army Natick Soldier Research, Development & Engineering Center to study currently available Berry Amendment compliant athletic footwear and requires

DOD to study Berry Amendment compliance as it relates to textiles and clothing.

- Codifies the responsibilities of the Under Secretary of Defense for Acquisition, Technology, and Logistics (USD AT&L) to provide direction to the USSOCOM Acquisition Executive for certain programs and requires USD AT&L to designate an appropriate official within their office for that purpose.
- Requires the Secretary of Defense to assign responsibility within DOD for oversight of the reasonableness of the pension plans offered by DOD contractors and issue certain guidance on pension benefits.
- Reorganizes the multiyear contract authority statute to make the reporting and certification provisions more logical.
- Authorizes a Comptroller General review of the DOD processes for the acquisition of major weapons systems. The objective of the review is to identify those acquisition processes that provide little or no value, or which value is outweighed by the creation of additional costs and schedule delays.
- Authorizes a Comptroller General review to determine whether or not greater involvement of service secretaries and service chiefs in the acquisition decision making process would be likely to result in better acquisition outcomes.
- In order to ensure DOD is able to achieve audit readiness, this initiative requires DOD to publish a date certain to achieve a significant interim step, called the third wave, to achieve this legal requirement by 2017.
- Authorizes a report to determine whether senior acquisition program managers are receiving sufficiently practical and comprehensive training in order to accomplish their mission. A 2009 report determined that fewer than 35 percent of senior program managers believed their training was sufficiently practical and comprehensive in the critical areas of: Overseeing Contractor Performance, Cost Estimating Challenges, Software Management Challenges, Cost Control Challenges and Unexpected Cost growth.
- Requires a report on Configuration Steering Boards. Configuration Steering Boards are responsible for ensuring proposed changes to program requirements do not adversely affect acquisition programs. Commonly referred to a “requirements creep” additional requirements continue to be added to acquisition programs. Such additions are commonly cited as one of the major reasons for cost increases and budget delays.

### **Environmental Provisions**

- Fully funds the Defense environmental programs to the levels requested in the President’s Budget.

- Requires a report on the use of incinerators instead of burn pits to dispose of waste at bases in Afghanistan.

### **Readiness-Related Legislative Provisions**

- Directs DOD to develop an overarching strategy and implementation plan for the services' prepositioned equipment program.
- Directs DOD to establish a policy setting forth the program and priorities for retrograde, reconstitution, and replacement of units and materiel used to support overseas contingency operations.
- Directs DOD to analyze foreign language support contracts.
- Directs DOD to reduce the separate development and fielding of service-specific combat and camouflage utility uniforms and eventually have DOD return to the same combat uniform.
- Directs DOD to complete a comprehensive strategy and implementation plan for improving asset visibility tracking and in-transit visibility across DOD.
- Streamlines the quarterly readiness report to Congress.
- Codifies the responsibility of the CJCS to reflect the current joint training, doctrine, education, and force development functions that are overseen by the CJCS.
- Updates the military departments' strategic plans with performance measures and show clear linkages to DOD's overarching goals and objectives as describes in DOD's strategic plan for corrosion control and prevention.
- In order to support critical manufacturing capabilities, directs DOD to review current and expected manufacturing requirements for which there is no or limited domestic commercial source and which are appropriate for manufacturing within an arsenal owned by the United States.

### **GENERAL PROVISIONS**

- Establishes a DOD Readiness Restoration Fund in order to provide increased flexibility to transfer funds that may be available to high priority readiness accounts.
- Requires the Secretary of Defense to provide the congressional defense committees with a plan to cut \$100.0 billion over 10 fiscal years from DOD's headquarters' staffs.
- Authorizes the Secretary of Defense – upon a determination from the President that it is in the national security interests of the United States – to use up to \$150.0 million of amounts authorized for the Coalition Support Fund account in fiscal years 2013 and 2014 to support the border security operations of the Jordanian Armed Forces.

- Extends and modifies the Afghan and Iraqi Special Immigrant Visa programs.
- Requires reporting on the status of China's 5<sup>th</sup> generation fighter program.
- Requires written updates on the status of U.S. military engagement with Burma.
- Requires a report on Taiwan's air force.
- Repeals or modifies approximately 20 statutory reporting requirements.

### **Guantanamo-Related Provisions**

- Provides additional flexibility to the Secretary of Defense to transfer Guantanamo (GTMO) detainees, with the objective of closing the detention facility there. Specifically it would:
  - Authorize the temporary transfer of GTMO detainees to a DOD medical facility in the United States if necessary to prevent death or significant imminent harm to the detainee's health.
  - Authorize the transfers of GTMO detainees to the United States for detention and trial if the Secretary of Defense determines doing so is in the U.S. national security interest and that any public safety issues have been addressed.
  - Provide greater flexibility for transfers of GTMO detainees to foreign countries through two authorities:
    - Authorizing GTMO transfers to foreign countries if: (a) the detainee is determined to no longer be a threat to U.S. security; (b) the transfer is pursuant to a court order; or (c) the detainee has been tried and acquitted or has been convicted and has completed his sentence.
    - For all other GTMO transfers overseas, the transfer process is streamlined to allow such transfers if the Secretary of Defense conducts a thorough assessment and determines the transfer would be in the U.S. national security interest and that steps have been taken or will be taken to substantially mitigate the risk of the detainee re-engaging in terrorist activities.
  - The committee agreed to defer debate on these provisions until the bill is taken up on the Senate floor. Accordingly, there were no votes in committee for or against these provisions.

### **Afghanistan, Pakistan, and Iraq**

- Extends or modifies a number of authorities relating to the conflict in Afghanistan, including:
  - Authorizing up to \$60.0 million for the Commanders' Emergency Response Program for commanders to support humanitarian projects and reconstruction in Afghanistan;

- Authorizing the use of DOD funds to provide logistical support to transport and sustain our coalition partners in Afghanistan;
- Authorizing the use of DOD funds to support a program to reintegrate Taliban fighters into Afghan society; and
- Authorizing up to \$250.0 million, a reduction of \$29.0 million from the budget request, to support the Afghanistan Infrastructure Fund, which supports electrification, irrigation, road, and other large-scale infrastructure projects that support the counterinsurgency campaign and help protect our troops.
- Authorizes up to \$1.5 billion in Coalition Support Funds (CSF), to reimburse certain nations for their support to U.S. military operations relating to Afghanistan, while extending limitations on CSF reimbursements for Pakistan.
- Authorizes up to \$209.0 million to support the Office of Security Cooperation in Iraq (OSC-I) as it transitions to a normalized status under Chief of Mission authority, and re-authorizes the OSC-I to provide classroom training to certain Iraqi security forces.

#### **Overseas Contingency Operations**

- Authorizes the full budget request of \$7.7 billion for the Afghanistan Security Forces Fund to build the Afghan security forces, including \$2.6 billion for key enabling capabilities, such as logistics, airlift, and intelligence, which provides Afghan security forces the capabilities they need to take full security responsibility throughout Afghanistan by December 2014.
- Authorizes the Task Force for Business and Stability Operations to use up to \$63.8 million to assist economic projects that support the civil-military campaign in Afghanistan, subject to a certification by the Secretary of Defense.

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