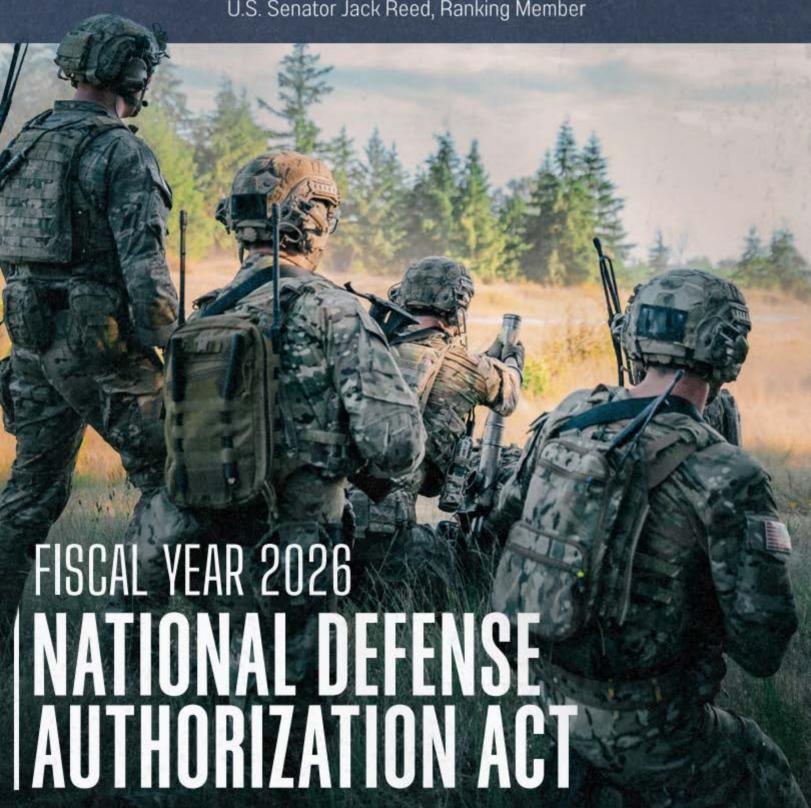


# ARMED SERVICES

U.S. Senator Roger Wicker, Chairman U.S. Senator Jack Reed, Ranking Member



#### **PREFACE**

Each year, the National Defense Authorization Act (NDAA) authorizes funding levels and provides authorities for the U.S. military and other critical defense priorities, ensuring America's forces have the training, equipment, and resources they need to carry out their missions.

Today, the United States is operating in the most dangerous threat environment since World War II. We face an axis of aggressors comprised of China, Russia, Iran, and North Korea, and this axis operates across multiple theaters. These nations share weapons, resources, and a unifying objective: to dismantle American influence around the world. While many of the national security challenges we face resemble those of the past, warfare looks much different today. Technological advances in artificial intelligence, unmanned technology, hypersonic strike weapons, sixth-generation aircraft, and space-based weapons are transforming the nature of modern conflict.

Thankfully, there is broad consensus among Congress, the White House, the Department of Defense, and key allies about these current threats and the need to address them. Recognizing the complexity of today's geopolitical environment, our nation must take action toward reindustrialization and work to rebuild the arsenal of democracy.

To achieve this, we must advance significant reforms to modernize the Pentagon's budgeting and acquisition operations. This bill implements key Pentagon reforms to improve efficiency, unleash innovation, and modernize the budget process. Ultimately, our servicemembers must have the resources they need to carry out their duties successfully, and the American people deserve operational efficiency from their government. Both are achievable.



#### **FY 2026 DEFENSE FUNDING LEVELS**

The 65<sup>th</sup> annual NDAA supports a total of \$900.6 billion in FY 2026 funding for national defense.

FY26 Defense Funding Levels (in billions of dollars)	
Department of Defense	\$855.7
Department of Energy	\$34.3
Other Defense-related Activities	\$0.5
NDAA Topline	\$890.6
Defense-related Activities Outside NDAA Jurisdiction	\$10.0
National Defense Topline	\$900.6

<sup>\*</sup>Numbers may not sum due to rounding.

#### **MAJOR HIGHLIGHTS**

## Reforming the Pentagon for Efficiency and Reindustrialization

- Historic reform of the Pentagon's budgeting and acquisition processes for innovation. Adopting key provisions of the FORGED Act that prioritize commercial acquisition, eliminate bureaucracy and statutory barriers, support portfolio management, and expand the industrial base, particularly for commercial companies and startups.
- Establishes Portfolio Acquisition Executives to implement portfolio management across the Department.
- Amends the Joint Requirements Oversight Council (JROC) to remove bureaucratic validation of service requirements and instead focus on identifying and prioritizing joint operational problems.
- Strengthens congressional oversight of DOD audit results.
- Eliminates special consideration of including the use of alternative fuels and hybrids in military vehicles, equipment, and vehicle fleets.



#### Indo-Pacific

- Authorizes the full budget request for the Pacific Deterrence Initiative (PDI) and directs the Department of Defense (DOD) to increase the transparency of its budget methodology to allow Congress to assess the utility of PDI.
- Prohibits a reduction in U.S. military posture on the Korean Peninsula or a change in wartime operational control over the Combined Forces Command until the Secretary of Defense certifies to Congress that such action is in the national interest. Further directs the Chairman of the Joint Chiefs and the Commanders of Indo-Pacific Command and U.S. Forces Korea to conduct an independent risk assessment of any such changes before they occur.
- Authorizes multi-year Foreign Military Financing grants of up to \$500 million for the Philippines and requires a spend plan showing how U.S. security assistance is being used to implement the U.S.-Philippines Security Sector Assistance Roadmap.
- Provides needed reforms to the AUKUS defense trade partnership by ensuring that re-exports and retransfers between the allies are exempt from licensing requirements and eliminates the need for Congressional Notification for items covered by the AUKUS International Traffic in Arms Regulations exemption.
- Requires a report on efforts to modernize the U.S.-Philippines alliance and a resource plan for the U.S.-Philippine Security Sector Assistance Roadmap.
- Directs the Department of Defense to engage with Taiwan to develop a joint program to co-develop and co-produce uncrewed and counter-uncrewed capabilities.
- Directs DOD to assess Taiwan's critical digital infrastructure and identify potential actions to help strengthen it.
- Authorizes the Taiwan Security Cooperation Initiative at \$1 billion and expands eligible uses.

#### **Europe**

- Prohibits a reduction in U.S. military force posture in Europe or relinquishment of U.S. command of the Supreme Allied Commander Europe position until the Secretary of Defense assesses the impact on U.S. and NATO interests and certifies to Congress that such action is in the national interest. Further directs the Chairman of the Joint Chiefs and the Commander of U.S. European Command (EUCOM) to conduct an independent risk assessment of any such changes.
- Authorizes an increase of \$200 million for EUCOM security assistance.
- Establishes the Baltic Security Initiative and authorizes \$175 million in funding to strengthen front-line deterrence against Russian aggression.
- Extends the Ukraine Security Assistance Initiative (USAI) through 2028, clarifies conditions under which USAI procured items may be treated as U.S. stocks, and authorizes \$400 million in funding for FY26 and FY27.
- Strengthens oversight of U.S. security assistance to Ukraine to include USAI, the
  Prioritized Ukraine Requirements List, and the Joint Ukraine Multinational
  Program Services, Training and Articles Rapid Timeline to ensure greater
  transparency with Congress.
   Requires the Secretary of Defense to notify Congress if a decision is made to
  modify, restrict, or terminate military intelligence, imagery intelligence, or related
- Requires the submission of an independent assessment from the EUCOM Commander on the capabilities and resources required for the U.S. deterrence and defense posture in the European region.
- Renews the requirement to submit the Russian Military Power Report.

information support to Ukraine.



#### **Middle East**

- Directs continued cooperation with allies and partners in the Middle East with respect to implementing an integrated air and missile defense architecture.
- Extends the Counter-ISIS Train and Equip (CTEF) authorities to assist the Iraqi Security Forces and Syrian partner forces to counter the threat from ISIS and prevents those funds from being diverted from that purpose.
- Extends the United States-Israel anti-tunnel cooperation initiative and increases funding for this initiative.
- Authorizes increased funding for United States-Israel cooperation to counter unmanned aerial systems.
- Establishes a U.S.-Israel Defense Industrial Base working group to study the potential for the greater integration of the two countries' defense industrial bases.

#### **Western Hemisphere**

- Requires a report on the intelligence capabilities of the People's Republic of China and the Russian Federation in the Republic of Cuba.
- Requires the Secretary of State to develop an interagency strategy for countering transnational criminal organizations in Mexico.
- Requires a briefing on the transportation challenges for servicemembers, dependent family members, and other patrons with a need for travel to and from Naval Station Guantanamo Bay, Cuba.
- Expands sanctions authorities to allow the United States to target Chinese government owned or controlled entities, including financial institutions, being used to finance foreign opioid trafficking and broadens the list of methamphetamine precursor chemicals tracked in the annual International Narcotics Control Strategy Report.
- Directs the Secretary of Defense to work with the interagency to produce a government-wide report on countering fentanyl trafficking and production.



#### **Southwest Border Security**

- Extends, expands, and modifies Department of Defense authorities to counter unmanned aircraft systems.
- Codifies the establishment of the Department of Defense Joint Interagency Task Force to coordinate on counter-small, unmanned aircraft system matters.
- Allows Governors to leverage Active Guard and Reserve personnel for disaster response, preserving critical military capacity for national-level crises and contingencies.
- Extends the Department of Defense authority for joint task forces to support law enforcement agencies conducting counterterrorism and counter-TCO activities.
- Grants DOD the authority to enter into contracts to provide certain assistance to the Department of Homeland Security along the Southern border.

#### **Counternarcotics**

 Requires a report detailing current counter-transnational criminal organization (TCO) training between the Department of Defense and the armed forces of Mexico with recommendations for future activities with respect to joint training that will improve the counter-TCO capabilities of the Mexican armed forces.

#### **International Security Cooperation**

- Establishes an Assistant Secretary of Defense for International Armaments Cooperation to improve the Pentagon's ability to understand allied and partner industrial bases and conduct win-win industrial base integration efforts.
- Directs the SD to establish a framework for the revision of the Pentagon's Technology Security and Foreign Disclosure processes.
- Establishes an office to enable the rapid fielding and acquisition of non-Programs of Record by authorized foreign partners.
- Direct the Secretary of Defense to provide guidance to the Department that directly links Foreign Military Sales with existing policies, strategies, and plans while providing increased transparency and accountability for industry and U.S. allies.
- Directs the designation of a lead official for data sharing and synchronization of Foreign Military Sales data across the entire DOD enterprise.



- Requires a review of the FMS Only List within one year of the enactment of the NDAA and biennially thereafter with the aim of reducing the number of weapons systems only available for sale through FMS.
- Establishes the Partnership for Indo-Pacific Industrial Resilience, a security cooperation initiative that fosters collaboration on defense industrial base issues with allies in Asia.

## Modernizing for the Future Battlefield

## **Unmanned Aircraft Systems (UAS)**

 Requires DOD to establish a Small Unmanned Aircraft System Working Group to assess the capacity of the sUAS industrial base and make recommendations.

## **Counter-Unmanned Aircraft Systems (CUAS)**

- Transfers the responsibility for Countering small Unmanned Aircraft Systems (C-sUAS) from the Department of the Army to the Deputy Secretary of Defense and establishes the Joint Interagency Task Force 401 (JIATF-401).
- Requires a briefing on the plan for installation commanders to engage UAS on U.S. military installations by both kinetic and non-kinetic means.
- Ensures we are sharing critical data among federal, state, and local agencies to better combat these threats.

#### **Munitions**

- Authorizes multi-year procurements for a number of key munitions programs.
- Adds Foreign Military Sales demand as a requirement in the Total Munitions Requirement process.
- Requires DOD to annually determine the minimum production level for each variant of munitions required to meet the Out-Year Unconstrained Total Munitions Requirement and to incorporate the determined levels into the budget.
- Withholds 20% of travel funding for the Under Secretary of Defense for Acquisition and Sustainment and the Under Secretary of Defense for Research and Engineering until the Joint Energetics Transition Office is established.



- Requires the Joint Energetics Transition Office to identify options to re-use raw materials waste created during the energetics production process.
- Requires a report detailing the stockpiles of critical munitions required to fight simultaneous conflicts in different theaters.
- Requires a plan to implement critical munitions requirements to fight simultaneous conflicts in the next budget cycle.
- Authorizes the accelerated modernization of existing organic industrial base facilities and increases funding for such activities.
- Emphasizes the importance of pursuing composite materials for large caliber ammunition.
- Requires a report on low-cost munitions programs and advanced manufacturing for munitions and increases funding for these efforts.
- Requires the Navy to develop options for two sources of domestic solid rocket motors in the Navy Modular Missile program.

#### **Emerging Threats and Capabilities**

- Requires the establishment of a Biotechnology Management Office.
- Requires the development of a DOD-wide strategy to enhance the use of biotechnology-developed and biotechnology-manufactured products.
- Requires the development of guidelines on the ethical and responsible development and deployment of biotechnology within the Department of Defense.
- Requires the Secretary of Defense to keep the congressional defense committees fully and currently informed of Department of Defense sensitive activities.
- Authorizes the establishment of an Irregular Warfare Exercise Laboratory.
- Makes permanent the authority for DOD research, development, test and evaluation centers to waive certain policies or regulations if the waiver is demonstrated to increase the efficiency and effectiveness of such organizations.
- Designates the Deputy Secretary of Defense, Vice Chief of the Joint Chiefs of Staff, and Commander, U.S. Transportation Command as the senior officials responsible for global contested logistics posture management.
- Direct a report on the readiness of DOD cryptographic systems to adopt quantum-resistant cryptographic algorithms and practices.
- Direct a report on risks to Department of Defense personnel and their dependents in the digital environment.



#### Cybersecurity, Data, & Artificial Intelligence

- Revises and expands the Cyber Excepted Service civilian personnel management system to include additional critical roles and increased pay for Cyber Excepted Service positions.
- Mandates a framework to assess, track, and manage technical debt across DOD systems through existing budgetary reporting processes in the Department.
- Streamlines cybersecurity requirements by directing the Chief Information Officer
  of the Department of Defense, in coordination with the Chief Information Officers
  and representatives from the service acquisition executives of each military
  department, to harmonize and reduce unique cybersecurity regulations levied on
  the Defense Industrial Base.
- Accelerates deployment of critical software technologies by directing the Service Chief Information Officers and the Chief Information Officer for the Department of Defense to establish an expedited review process for software and hardware products seeking an Authority to Operate.
- Prohibits DOD from divesting, consolidating, or curtailing any current cyber assessment capabilities supporting operational test and evaluation until the Secretary provides data supporting any such decision.
- Requires the Secretary of Defense to conduct a demonstration of real-time monitoring program for weapon system platforms to detect cyber threats and improve maintenance efficiency.
- Requires the establishment of a task force on building and maintaining artificial intelligence sandbox environments to accelerate workforce development and technical innovation in artificial intelligence applications across the Department.
- Reinforces the importance of the Chief Data Officer role and maximizes the benefit of commercial solutions by requiring the establishment of a Data Ontology Governance Working Group.
- Speeds up development and improves access to AI models through the
  establishment of a cross-functional team (CFT) for AI model management,
  oversight, and assessment.
  - Limits the funds authorized to be appropriated for the Joint Staff and the Chief Digital and Artificial Intelligence Officer for the Combined Joint All-Domain Command and Control initiative until the Secretary of Defense provides a framework for such initiative that helps guide investments and measures progress for the initiative.
- Protects DOD information and Controlled Unclassified Information workloads in commercial cloud service providers by prohibiting companies from using personnel residing in adversary countries from providing technical support.



- Requires the Secretary of Defense to develop a comprehensive cybersecurity and physical security framework for artificial intelligence and machine learning technologies procured by the Department of Defense.
- Establish an Artificial Intelligence Futures Steering Committee within the Department of Defense (DOD) to analyze artificial intelligence trajectories and develop DOD adoption strategies.

#### **Cyber Operations**

- Directs the Secretary of Defense to complete a study on the optimal use of the full spectrum of military operations to increase the costs for our adversaries for conducting such attacks.
- Prohibits the reduction of the oversight responsibilities without limiting the Department's ability to implement critical modernization changes associated with the CYBERCOM 2.0 initiative.
- Directs a report that certifies that the Department has fully identified, tracked, and integrated the unique capabilities of the reserve component into its Cyber Mission Force structure and operational planning.

#### **End Strength and Force Structure**

- Authorizes personnel end strength for the active component at 454,000 for the Army; 344,600 for the Navy; 172,300 for the Marine Corps; 321,500 for the Air Force; and 10,400 for the Space Force.
- Authorizes personnel end strength for the Selected Reserve at 328,000 for the Army National Guard; 172,000 for the Army Reserve; 57,500 for the Navy Reserve; 33,600 for the Marine Corps Reserve; 106,300 for the Air National Guard; 67,500 for the Air Force Reserve; and 7,000 for the Coast Guard Reserve.
- Enables the transfer of responsibilities from the Air Force to the Space Force by increasing the authorized number of Space Force brigadier generals by three and decreasing the authorized number of Air Force brigadier generals by three.

## **Military Personnel Policy**

- Authorizes funding to support a 3.8 percent pay raise for military members.
- Improves transparency and understanding of military compensation by requiring clear explanations on pay statements and an education campaign for servicemembers and families on military compensation.
- Strengthens transparency for how basic allowance for housing rates are calculated and requires a study to evaluate current rate adequacy while developing improved, data-driven methods that incorporate machine learning and artificial intelligence.
- Expands the food-access pilot program to all military departments to improve food access for servicemembers in unaccompanied housing.
- Enhances information sharing with state veterans' agencies to proactively connect transitioning service members with earned benefits and services.
- Increases the number of required Junior ROTC units by 100, authorizes a cash bonus for new JROTC instructors, and restores full funding for JROTC, which was inexplicably cut by Navy and Air Force in FY26 budget.
- Improves military recruiter access to secondary schools and timely directory information sharing.
- Enhances the pathway for service academy athletes to pursue professional sports opportunities.
- Expands pipeline to make it easier for servicemembers to become chaplains.
- Extends for five years temporary early retirement authority.
- Repeals numerous statutory provisions on DEI in the Department of Defense and prohibits any new DEI-related practices.
- Requires that command selections in the Department of Defense be based on individual merit and demonstrated performance.
- Protects women's sports at the military service academies by prohibiting men from participating in women's athletic programs.
- Prevents DOD from contracting with any entities that engage in political censorship or screen for misinformation.

#### Military and Dependent Education

- Authorizes \$50 million for DOD assistance to educational agencies affected by the enrollment of military and DOD civilian dependents, \$10 million for impact aid payments for children with disabilities, and \$10 million for local educational agencies determined by the Secretary of Defense to have high concentrations of military children with severe disabilities.
- Requires the Secretary of Defense, acting through the Director of the Department of Defense Education Activity (DODEA), to improve staffing of special education teachers and staff, and improve special education offerings at DODEA schools.
- Authorizes children of employees of the American Red Cross who are
  performing, on a full-time basis, services for the Armed Forces, enrollment in a
  DODEA school. Requires an update to existing DODEA regulations on the
  student use of portable electronic mobile devices in DODEA schools to prohibit
  disruption in the learning environment.
- Authorizes dual or concurrent enrollment programs with colleges and universities for DODEA students.
- Requires the Secretary of Defense to update existing regulations on the student use of portable electronic mobile devices in DODEA schools to prohibit disruption in the learning environment.

#### **Family Readiness and Community Support**

- Directs an update to the Joint Travel Regulation to authorize educational travel for a dependent of a covered employee without regard to whether the Federal agency responsible for the employment of the covered employee anticipates that the covered employee will be transferred or travel to a location in the United States for home leave. This authority is limited to DODEA employees assigned to Naval Station Guantanamo Bay.
- Requires notification to parents or guardians of a child who is the suspected victim of alleged abuse or neglect occurring at a military child development center (CDC) not later than 24 hours after an employee at a CDC learns of such an incident.
- Extends the in-home childcare pilot program through 2029.



#### **Military Health Care**

- Requires the establishment of policies for the priority assignment of medical personnel of the DOD and requires the Secretaries of the military departments to assign medical personnel consistent with the Secretary of Defense's priorities.
- Requires the establishment of a demonstration program to expand partnerships between DOD and Department of Veterans Affairs medical facilities for the purpose of increasing case volume for DOD graduate medical education programs.
- Establishes a military-civilian medical surge program that will enhance interoperability and medical surge capability and capacity of the National Disaster Medical System.
- Establishes a pilot program for additional supplemental insurance coverage for certain service-members and beneficiaries for out of pocket expenses for cancer related illness.
- Requires the following studies to address healthcare issues unique to military service:
  - o A study of cancer rates among military rotary craft crews.
  - o A report on Traumatic Brain Injuries among active-duty pilots exposed to high-speed maneuvers, catapult launches, and/or other repetitive actions potentially harmful to the brain.
  - o A study on the psychological effects and mental health impacts of combat remotely piloted aircraft operations. Requires an assessment of the adequacy of healthcare services available to military and civilian personnel, including dependents, assigned to Naval Air Weapons Station China Lake.

#### **Defense Civilians**

- Extends for one year the discretionary authority of the head of a Federal agency to provide allowances, benefits, and gratuities, comparable to those provided to members of the Foreign Service, to the agency's civilian employees on official duty in a combat zone.
- Extends the authority to waive the annual limitation on premium pay for federal civilian employees working overseas.
- Prohibits the use of funds by the Department of Defense to carry out a hiring freeze or reduction in force of certain public shipyard workers.



- Authorizes the Secretary of Defense to provide a living quarter allowance for Department of Defense civilian employees with permanent duty station in Guam.
- Strengthens the Department's management of the total force by requiring that
  proposed reductions in force of more than 50 employees be subject to an
  analysis of the impact of such reduction on military readiness.

## **Accountability and Oversight**

- Prohibits the use of funds for any action to modify or combine the responsibilities
  or lower the rank of the Commander of any geographic combatant command or
  to divest or consolidate combatant command property until the Secretary of
  Defense submits a report to the congressional defense committees.
- Requires the Department to submit quarterly reports to Congress on the status of balances and activities carried out using funds from the One Big Beautiful Bill Act.
- Requires a briefing to the congressional defense committees on any anticipated issues in establishing beginning balances for audits of the financial statements of the DOD.
- Directs a review of DOD policies and procedures for data gathering, risk assessment, and risk mitigation of U.S. military flights, especially as it relates to differentiating between flights in the U.S. domestic airspace.
- Requires the development of standard operating procedures on use of aviation safety equipment and a program for sharing aviation safety data for aircraft of the Department of Defense.
- Establishes oversight of Department of Defense support to Department of Homeland Security immigration operations.

## **Building American Combat Power**

#### **Sea Power**

- Authorizes incremental funding and procurement for up to five Columbia-class submarines.
- Authorizes incremental funding and block-buy procurement for up to two *Ford*-class aircraft carriers.
- Authorizes continuous production authorities for a range of *Virginia*-class components to optimize construction schedules and supply chain resilience.
- Authorizes a block buy of up to 15 Medium Landing Ships (LSM) to support testing and experimentation of the Marine Littoral Regiment formation.



- Limits funding for TAGOS Ship unless the Secretary of the Navy provides information on the Navy's management of the program and an assessment of alternative solutions for the mission.
- Requires the Navy, in implementing the Medium Landing Ship and Light Replenishment Oiler programs, to utilize a Vessel Construction Manager (VCM) acquisition strategy, employing commercial design standards, construction practices, and an external entity to contract for construction.
- Exempts unmanned surface vessels and unmanned underwater vehicles from the Senior Technical Authority requirement and limits certain technical requirements from the Chief Engineer of the Naval Sea Systems Command without prior approval of the program manager.
- Modifies certification requirements of operational demonstrations for propulsion and electrical systems of large and medium unmanned surface vessels to increase industrial base participation.
- Limits funding to certain Navy-developed software for autonomy and command and control of unmanned surface vessels.
- Prohibits the removal or relocation of the Maritime Industrial Base office from the Assistant Secretary of the Navy for Research, Development, and Acquisition.
- Requires the Navy to move leadership for conventional surface ship maintenance to the Type Commanders, delegates decision-making authority to project managers, port engineers, and ship commanding officers.
- Requires the Navy to investigate, and where feasible qualify and fully integrate,
   23 advanced technologies and processes into Navy surface ship readiness.
- Requires amphibious ships to receive a proportional share of ship maintenance appropriations.

#### **Airland**

#### **Army Programs**

- Directs an updated tactical wheeled vehicle strategy with the submission of the fiscal year 2027 budget request.
- Authorizes the Army to establish a program to create a soldier-inspired innovation program.
- Requires a briefing on Army efforts to optimize its prepositioned stocks program
  to ensure that the Army has the right equipment in the right location with the right
  readiness level.
- Requires a report on the Army's proposed plan to integrate Army Futures Command and Training and Doctrine Command.



#### **Air Force Programs**

- Prohibits the Air Force from retiring A-10 aircraft such that the inventory would drop below 103 aircraft in FY26.
- Extends the prohibition against retiring RQ-4 aircraft to 2030.
- Replaces section 238 of the National Defense Authorization Act for Fiscal Year 2017 (Public Law 114-238) with a new provision to account for advances in the B-21 program as it advances from engineering to manufacturing and production.
- Directs the Air Force to submit a comprehensive bomber roadmap.
- Directs the Air Force to submit a comprehensive intelligence, surveillance, and reconnaissance roadmap.
- Directs an annual report on the DOD unified datalink strategy.
- Amends Sec. 1527 of the National Defense Authorization Act for Fiscal Year 2024 (Public Law 118-31).
- Requires DOD to develop a comprehensive plan to establish a governmentcontrolled open mission systems computing environment for all variants and blocks of the F–35 aircraft operated by the DOD.
- Requires at least 90 days' worth of F-35 Joint Strike Fighter parts are available by September 30, 2028, and requires the F-35 contractor to validate sufficient inventories of F-35 parts.
- Directs the Navy and Air Force to conduct a comparative study, independent of the air vehicle manufacturer, on the two propeller systems on the C-130J platform.
- Directs DOD to preserve World War II-era aircraft.
- Directs a report on the recommendations for establishing one or more pilot programs for implementing and testing standard operating procedures and assessing capability shortfalls in countering unmanned aerial systems.
- Supports procurement of the MH-139 Grey Wolf helicopter to modernize the aging fleet of UH-1 helicopters.
- Requires all DOD aircraft that operate near commercial airports to be equipped with position broadcast technology.
- Requires a briefing on the Air Force's plan to develop and institutionalize organic air base defense capabilities for expeditionary operations.

#### **Military Construction**

- Requires the military departments to develop 20-year infrastructure plans to provide better fidelity for cost estimates for future planning.
- Requires the Secretary of Defense to establish a pilot program for the purposes
  of the military departments to procure utility services from an areawide contract
  with a public utility provider.
- Establishes an Executive Agent and an Advanced Nuclear Energy Working
  Group of senior defense officials to expedite and oversee the development and
  deployment of nuclear energy technologies to enhance force readiness and
  resiliency.
- Includes demolition projects in the Defense Community Infrastructure Program.
- Provides the Department additional authorizes through accelerated design-build and progressive-design build to improve cost estimation and keep projects on schedule.
- Requires the Department to implement recommendations from the Comptroller General relating to critical military housing supply and affordability.

# Improving Defense Acquisition and Industrial Base Policy

## **Defense Industrial Base (DIB) Policy**

- Drastically expands Organic Industrial Base authorities to protect and accelerate reindustrialization in America and regain global defense manufacturing dominance.
- Expands the authorities of the Industrial Base Fund and Industrial Base
   Analysis and Sustainment program to ensure DOD's flagship supplier base investment program has additional tools to rebuild the DIB.
- Creates new pilot program allowing for financing costs to be allowable and allocable for Department of Defense contracts to allow for better matching of government and private investment in key areas.
- Requires the Secretary of Defense to develop and implement a strategy to eliminate the reliance of the Department of Defense on any covered nation to acquire optical glass or optical systems.
- Prohibits the Department of Defense from acquiring advanced batteries from certain foreign sources



- Amends section 4872 of title 10, United States Code, to add molybdenum, gallium, and germanium to the definition of covered material, as well as authorizes an exception to the prohibition for certain recovered material.
- Creates and expedited acceptance program if companies find supply chain problems to accelerate supply chain remediation efforts.
- Prohibits the obligation or expenditure of funds authorized to be appropriated by this Act or otherwise made available to be used to enter into a contract for the procurement of photovoltaic modules manufactured by a foreign entity of concern.
- Amends section 1260H of the William M. (Mac) Thornberry National Defense Authorization Act for Fiscal Year 2021 (Public Law 116-283) by revising the definition of a "Chinese military company" to include such companies operating inside or outside of the People's Republic of China.
- Requires the Department of Defense to expand the Defense Logistics Agency's existing critical mineral recycling programs.

## **Acquisition Policy**

- Requires an evaluation of the suitability of a corridor for testing hypersonic and long-range weapons in the continental United States.
- Provides the combatant commands the authority to conduct experimentation, prototyping, and technology demonstrations to support the development and testing of innovative technologies and capability solutions to address operational needs identified by the combatant command.
- Requires DOD to establish an inventory to document all contracted technical data rights and assess whether contractors have properly marked and delivered such data
- Increases bureaucratic TINA (Truth in Negotiations Act) threshold from \$2M to \$10M, saving millions of hours of wasted time for small innovative contractors.
- Exempts nontraditional defense contractors from certain business requirements reducing bureaucracy.

## Planning, Programming, Budgeting, and Execution Reform

 Establishes the expiration date for authorizations in this Act for military construction projects, land acquisition, family housing projects and facilities, and contributions to the North Atlantic Treaty Organization Security Investment Program as October 1, 2028, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 2029, whichever is later.

## Strategic Deterrence and Homeland Defense

#### **Nuclear Modernization**

- Fully funds ongoing efforts to modernize the nation's nuclear deterrent, including authorizing additional funding to accelerate critical modernization programs such as the Sentinel intercontinental ballistic missile (ICBM) and the Nuclear-Armed Sea-Launched Cruise Missile (SLCM-N)
- Further clarifies and reinforces congressional intent in the establishment of the Assistant Secretary of Defense for Nuclear Deterrence, Chemical and Biological Defense Policy and Programs by realigning Department of Defense acquisition functions for nuclear forces.
- Accelerates deployment of the SLCM-N to enhance our ability to respond to the threat from rapidly growing Chinese, Russian, and North Korean arsenals.
- Establishes ICBMs as part of the permanent Air Force force structure and prohibits any reductions in the number of deployed ICBMs.
- Establishes statutory dates for B-21 operational capability with gravity bombs and the AGM-181 Long Range Standoff Weapon.
- Codifies Air Force Global Strike Command as a 4-star command to manage all Air Force nuclear and long-range strike missions and adjusts Air Staff responsibilities to enhance Air Force oversight of the nuclear deterrence mission. Requires enhanced cleaning and maintenance efforts for ICBM crew capsules to improve servicemember quality of life and mission effectiveness

## **Space**

- Directs a study on future space launch capacity.
- Requires any weapon systems intended to produce space control effects to adversary satellite systems be acquired and operated by the U.S. Space Force, with commercial augmentation as required.
- Requires the Secretary of the Air Force to publish a Liquid Oxygen Methane propellant blast damage assessment guide for space launch vehicles using U.S. Air Force launch range complexes.

#### **Missile Defense**

- Updates U.S. national missile defense policy to reflect the goals of the Golden Dome initiative.
- Authorizes additional funding for air and missile defense development and testing, including full funding for procurement of Terminal High Altitude Area Defense (THAAD), SM3-IIA, and Patriot missile defense systems.
- Directs the Missile Defense Agency to partner with the Department of Transportation to recapitalize aging missile instrumentation and range safety vessels. Authorizes the procurement of the Iron Dome short-range rocket defense system, David's Sling Weapon System, and Arrow 3 Upper Tier Interceptor Program.

#### **Electronic Warfare and Spectrum Security**

- Requires the Department to integrate electronic warfare into Tier 1 and Tier 2 joint exercises.
- Directs the 350<sup>th</sup> Spectrum Warfare Wing to support the EA-37B Compass Call program.

#### **Test Ranges and Strategic Facilities**

 Renames U.S. facilities on Kwajalein Atoll as the Ronald Reagan Space and Missile Test Range, designates the installation as a remote and isolated installation to enable additional support for personnel, requires enhanced DOD leadership attention and support for facility upkeep, authorizes additional funds to address the extensive backlog of infrastructure maintenance, and requires Kwajalein to be considered as a landing site for the rocket cargo demonstration program.



#### **Department of Energy**

- Establishes a new Rapid Capabilities Program within the National Nuclear Security Administration (NNSA) to enhance the nuclear enterprise's ability to respond to growing nuclear threats from China and Russia.
- Clarifies the statutory requirement for two-site plutonium pit production to be established at Los Alamos National Laboratory and the Savannah River Plutonium Processing Facility.
- Enhances the Department of Energy's ability to protect nuclear laboratories and facilities from unmanned aerial systems.
- Requires the Secretary of Energy to enhance efforts to identify optimal disposal pathways and schedules for radioactive waste.
- Classifies employees funded under Atomic Energy Defense Activities as national security employees.
- Clarifies the role of the National Nuclear Security Administration in supporting artificial intelligence research.