2017

NATIONAL DEFENSE AUTHORIZATION ACT

BILL SUMMARY

HIGHLIGHTS OF THE CHAIRMAN'S MARK
H.R. 4909
NATIONAL DEFENSE AUTHORIZATION
ACT FOR FISCAL YEAR 2017

THE NATIONAL DEFENSE AUTHORIZATION ACT

The National Defense Authorization Act (NDAA) for Fiscal Year 2017 is the primary way Congress meets its most important constitutional obligation to "provide for the common defense." It advances the vital funding and authorities that America's Military requires. Unprecedented threats, uncertainty, and technological change, combined with a high-operational tempo and declining resources, have sharply eroded the readiness of our military. Through this legislation, Chairman Mac Thornberry (R-TX) and the Committee begin to restore ***Strength*** and ***Agility*** to America's Armed Forces.

The House Armed Services Committee will meet on Wednesday, April 27, to consider this legislation.

RESOURCES

The disparity between declining resources and proliferating threats has forced military commanders to make difficult decisions for many years that have weakened the force. Often they involved deferring maintenance, reducing training, and delaying procurement of replacement systems or platforms in order to provide those deployed with urgently needed capabilities.

Implementing budget cuts by slashing training and equipment for forces preparing to deploy is a dangerous and ultimately irresponsible strategy. The sharp rise in major Army and Marine Corps aviation accidents is but one indication that this approach is having a devastating impact on the force.

Last year, Congress and the President recognized that investment in core Department of Defense (DOD) functions would be essential to reverse this trend and restore strength to the military. The parties to the Bipartisan Budget Agreement all recognized that base funding for National Defense would need to be set at $574 billion in FY17. Additionally, OCO funding would be required to meet ongoing contingency operations worldwide.

Consistent with that agreement, Chairman Thornberry's Proposal maintains adherence to the House Budget Committee approved budget resolution of **$574 billion for National Defense** base requirements by authorizing **$543.4 billion in base funding** for requirements within the Committee's jurisdiction. Additionally the Committee Proposal provides **$23.1 billion in Overseas Contingency Operations (OCO)** accounts for base requirements, which is **$18 billion more than was provided in the President's Budget Request**, in order to begin to restore readiness in the force. The Chairman's Proposal further provides **OCO funding of nearly $35.7 billion**, which will cover contingency operations until April 2017. The Chairman's expectation is that a new President will assess the national security landscape and submit a supplemental budget request – as is traditional in the first year of a new administration. **The total funding authorized for defense in the House bill is the same as the level proposed by President Obama's budget.**

TABLE 1: FY17 NDAA FUNDING LEVELS

Purpose	Amount (in billions)
DOD Discretionary Base Budget	**$523.6**
DOE Discretionary Base Budget	**$19.5**
Defense-Related Activities	**$0.3**
FY17 Base Budget NDAA Topline	**$543.4**
Overseas Contingency Operations for Base Requirements	**$23.1**
FY17 Funded Base Budget Requirements	**$566.5**
Overseas Contingency Operations	**$35.7**
FY17 Discretionary NDAA Topline [1]	**$602.2**
Defense Mandatory Spending [2]	**$8.3**
FY17 NDAA Topline	**$610.5**

[1] Does not include $7.8 billion of authorizations not within HASC jurisdiction
[2] Includes statutory requirements for Concurrent Receipt; does not include $0.6 billion outside HASC jurisdiction.

RESTORING READINESS

Committee oversight is illustrating the extent and fatal consequences of the readiness crisis facing our military. In the Marines Corps, "Class A Mishaps," accidents that result in fatalities or the loss of aircraft, are 84% above their 10 year average, and have increased 50% since sequestration took hold two years ago. Army statistics reflect similar trends.

To address this crisis, Chairman Thornberry's Mark makes key investments not provided for in the President's Budget Request. While readiness shortfalls will take many years to correct, these initiatives will begin to close the gap.

TROOPS AND THEIR FAMILIES:

The Chairman's Mark halts and begins to reverse the drawdown of military end strength, preserving the active duty Army at 480,000 and adding 3,000 Marines and 4,000 Airmen in FY17. For three years in a row, the President has denied servicemembers the pay raise to which they are legally entitled. Chairman Thornberry's Proposal fully funds the 2.1% pay raise our troops are entitled to under law while blocking the President's ability to reduce troop pay. It fully funds over $2.5 billion in unfunded training and maintenance to include maximizing flight training hours for Soldiers and Marines, which are ***needs identified as critical by the military services, but unfunded in the President's Budget Request.***

EQUIPMENT:

Platforms deployed well beyond their intended useful life, inadequate supplies of high demand assets, outdated technology, and equipment that is too expensive to maintain all exacerbate the readiness crisis. The Chairman's Mark makes key investments to accelerate the transition to new, more effective, and more reliable platforms, and provides additional high-demand assets to reduce the stress on the force. These include investments in missile defense that the President has been unwilling to pursue, even though recent aggressive actions from Russia, Iran, and North Korea reinforce the urgent nature of this threat. Chairman Thornberry also restores a Carrier Air Wing, 11 additional F-35s and 14 F-18s to address a critical strike fighter shortage. In additional to three C-130Js, four C-40s, and two V-22 aircraft; and 36 UH-60 Blackhawks and five Apaches, the Chairman's Mark invests $592 million to address war reserve shortfalls in critical munitions. ***Each of these investments was identified as a critical requirement by the military services; none of them were fully funded in the President's Budget Request.***

MAINTENANCE:

Delivery of new equipment is essential, but Congress must make vital maintenance investments not included in the President's budget to ensure that next-to-deploy units are mission capable. In addition to funding maintenance accounts, the Chairman's Mark grants direct hire authority to depots in order to alleviate their critical manpower shortages. The Chairman's Proposal increases Navy Ship and Aircraft depot maintenance and afloat readiness by $530 million and Air Force depot maintenance by $430 million, while also including $160 million for Navy Cruiser modernization and $67 million for Marine Corps logistics. ***Each of these investments was identified as a critical requirement by the military services; none of them were fully funded in the President's Budget Request.***

FACILITIES

The Chairman's Proposal supports 90% of requirements for facilities sustainment and 88% of requirements for facilities restoration and modernization. This is an increase of 19% above the President's budget in each category. Facility maintenance and sustainment is the area where the military has assumed great risk as it compensates for sharply reduced resources. This funding will be used to restore and maintain real property, ranging from barracks to hangars, and runways to hospitals. ***Each of these investments was identified as a critical requirement by the military services; none of them were fully funded in the President's Budget Request.***

The Chairman strongly believes that our service men and women should not be sent out on missions for which they are not fully prepared and supported. Cuts in personnel, training, maintenance, and procurement are leading to that result. While he generally supports the OCO activities proposed by the President, Chairman Thornberry believes that an even higher priority is to ***ensure that the troops are prepared for those missions*** and other tasks they may be called upon to undertake.

Where possible, Chairman Thornberry's Proposal cuts excessive or wasteful expenditures and rededicates those resources to urgent needs. Even with a vigorous re-prioritization of programs, the Committee was unable to make up essential shortages in the President's budget and simultaneously provide a full year of contingency funding. The Proposal is designed to restore strength to the force through readiness investments and agility through much needed reforms, while providing a more solid foundation for the next President to address actual national security needs. The following tables illustrate some of the key differences in the Committee Proposal from the Administration's request:

COMPARISON OF PRESIDENT'S REQUEST TO FY17 NDAA PROPOSAL

	President's Budget Request	Service/COCOM Identified Shortfall	Chairman's Mark Provides
Army End Strength	460,000 Active (450,000 by FY18) 333,500 Guard 195,00 Reserve	20,000 Active 15,000 Guard 10,000 Reserve	480,000 Active 350,000 Guard 205,000 Reserve
Marine Corps End Strength	182,000 Active	3,000 Active	185,000 Active
Air Force End Strength	317,000 Active	4,000 Active	321,000 Active
Military Pay Raise	Requested 1.6%, 0.5% below ECI	* Committee action following 3 years of reduced pay raises	Funds 2.1%, matching ECI as required by law
U.S. Force Levels in Afghanistan	Drawdown from 9,800 to 5,500 by January 2017	OEF Commander testimony regarding limitations at 5,500	Maintains support for a minimum of 9,800 in theater
Navy Ship and Aircraft Depot Maintenance and Afloat Readiness	$12.035 Billion	$530 Million	$12.565 billion
Facilities Sustainment	Funds 75% of requirements	Compounding sustainment shortfalls, taking years to restore	Supports 90% of requirements for facilities sustainment

COMPARISON OF PRESIDENT'S REQUEST TO FY17 NDAA PROPOSAL

	President's Budget Request	Service/COCOM Identified Shortfall	Chairman's Mark Provides
Facilities Restoration & Modernization	Funds 69% of requirements	Compounding readiness & modernization shortfalls, taking years to restore	Supports 88% of requirements for facilities throughout DOD
Navy Cruiser Moderinzation	No Funds Requested	$430 Million	$430 Million
Air Force Depot Maintenance	$10.420 Billion	$160 Million	$10.580 Billion
USMC Logistics	$1.622 Billion	$43 Million	$1.665 Billion
F-35s	43 F-35A aircraft 16 F-35B aircraft 4 F-35C aircraft	5 F-35A aircraft 2 F-35B aircraft 4 F-35C aircraft	48 F-35A aircraft 18 F-35B aircraft 8 F-35C aircraft
F/A 18's	No funds requested	14 F/A-18 E/F aircraft	14 F/A-18 E/F aircraft
Aviation Restructire Initiative (ARI)	Cut 24 UH-60 Blackhawks Cut 9 AH-64 Apaches No LUH requested	36 UH-60s; 5 AH-64s; 10 AH-64 Adv Proc; 17 LUHs	Restores 24 UH-60 Blackhawks, and adds 12 more Restores 5 Apaches Support 17 LUH aircraft
C-130J	3 C-130J Aircraft	8 C-130J aircraft	6 C-130J aircraft
V-22	16 MV-22 aircraft	2 MV-22 aircraft	18 MV-22 Aircraft
DDG-51	Requested 2	1 DDG-51 destroyers	Funds 3
LX(R)	No funds requested	* Committee action. Current shipbuilding plan does not meet USMC requirements.	Initiates the procurement of 1 Next Generation Amphibious Ship
Littoral Combat Ships	Cut one Littoral Combat Ship (2 requested)	* Committee action. Current shipbuilding plan does not meet USN Force Structure Assessment.	Restores 1 for a total of 3 ships
Ship to Shore Connector	2 SSC craft	3 SSC craft	5 Ship to Shore Connectors
Javelin	309 requested	591 Javelin Missiles	900 Javelin missiles
Guided MLRS Rocket	1,068 requested	1,158 GLMRS rockets	2,226 GMLRS rockets
Army Tactical Missile Systems (ATACMS)	183 requested	17 ATACMs	200 ATACMS; mitigates critical shortfall in Army War Reserve requirements
Hydra guided rockets	100 requested	500 guided Hydra rockets	600 guided Hydra rockets; mitigates critical shortfall in Army War Reserve requirements
AIM-9X Sidewinder Missiles	152 requested	75 Sidewinder missiles	227 Sidewinder missiles; restores procurement levels

AGILITY

U.S. Army photo by Sgt. 1st Class Michel Sauret

AGILITY

Restoring essential funding alone cannot ensure that America's Military is postured to meet the threats we face. Rigorous oversight and thoughtful reforms are also required to ensure that troops have the tools they need and the support they deserve.

HEALTH CARE REFORM

No duty is more sacred to the Department of Defense or Congress than protecting the health of our troops and their families. Chairman Thornberry is grateful for the thoughtful work of Chairman Joe Heck (R-NV) and the rest of the Military Personnel Subcommittee in designing meaningful reforms to the Military Health System. The House Armed Services Committee has historically resisted DOD Proposals on TRICARE reforms because they increased the out of pocket expenses for servicemembers, their families, and retirees, without improving access or quality of care.

Reforms proposed by Chairmen Thornberry and Heck improve access to quality care for warfighters, retirees, and their families, while enhancing medical readiness and ensuring that the generous benefit our troops deserve and have earned is sustainable for generations to come. These reforms:

- **Simplify TRICARE Options** by providing two comprehensive options designed to better meet the health care needs of servicemembers, their families and retirees: a managed care option [Tricare Prime] and a no-referral network option [Tricare Preferred].
- **Expand Access to Care** by eliminating referrals for urgent care and ensuring urgent care access for military families through 11:00PM; extending care at Military Treatment Facilities (MTF) primary care clinics beyond normal business hours; expanding public-private partnerships to increase and complement MTF services provided to beneficiaries; and enabling retirees to purchase durable medical equipment at the DOD cost.
- **Improve Beneficiaries Experience** at Military Treatment Facilities by standardizing appointment scheduling and first-call resolution when contacting clinics, increasing the number of available appointments, and maximizing the use of telehealth and secure messaging.
- **Ensure Quality Health Care** by adopting the Centers for Medicare and Medicaid Services core quality metrics so that beneficiaries can review and compare performance across organizations, and incorporating value-based purchasing strategies in TRICARE contracts.
- **Strengthens the Readiness of Military Healthcare Professionals** by establishing new trauma centers at military medical centers in areas with unmet patient demand; establishing additional partnerships to enable military trauma specialists and support staff to work in civilian trauma centers for sustained periods of training; increasing opportunities and complexity of care by concentrating military provider resources at MTFs in locations with a large military and retiree population; and expanding the responsibility of the Defense Health Agency for hospital administration, thus allowing the military services to focus on medical readiness.
- **Keep Faith with the Current Force** by making the benefit sustainable while expanding access to better care, the Proposal implements changes to cost-sharing, deductibles, and other fees for the future force. The Proposal permits an enrollment fee for retirees selecting the new PPO option in 2020 - if DOD can demonstrate and independently validate improvements to access and care.

ACQUISITION REFORM

Building on last year's initial set of improvements to the acquisition system, the FY17 Proposal makes foundational reforms intended to help get better technology into the hands of the warfighter faster and more efficiently. It does so by requiring weapon systems to be designed with open architectures that can easily be upgraded as technology and threats evolve. It also provides flexible funding to experiment with new technology, while simplifying the process and expanding the avenues of competition for suppliers of all sizes. Building on the lessons from successful military innovation of the past, these critical reforms will promote experimentation and prototyping, not only to field capability, but to learn and develop new operational concepts.

To help simplify and improve program management, the Proposal will further define the responsibilities for acquisition between DOD and the Services. It would give the Secretary more tools to manage and approve cost, schedule, and technological risk for major acquisition programs. It would also set upfront conditions for cost and schedule and then hold the Services accountable.

Reducing redundant bureaucracy is a priority for reform. For this reason, the Chairman's Mark grants **Milestone Decision Authority for Joint Programs to Military Services after October 1, 2019.** This change also provides Congress time to ensure the Military Services will be held accountable and that appropriate transparency and enforcement mechanisms are in place.

Chairman Thornberry believes that assuring transparency in the acquisition process will help ensure the system functions more efficiently and effectively. The Proposal establishes an "Acquisition Scorecard" that pulls exclusively from existing reports and documents and does not impose new work on DOD, although Congress can request more details if needed

FOR MORE INFORMATION
ON THE CHAIRMAN'S ACQUISITION PROPOSAL, VISIT:
ARMEDSERVICES.HOUSE.GOV/ISSUES/**DEFENSE-REFORM**

CRITICAL INTELLECTUAL PROPERTY:

Encouraging both small businesses and large companies to do business with DOD is critical to encouraging innovation. Ownership of intellectual property has become a difficult, contentious issue for the Department and its industrial base. To help build confidence in the system, the Mark would require that all components conform to open interfaces in order to plug into the overall system. Privately-funded components "inside the black box" would remain the intellectual property of the developer, while jointly-funded capability would be subject to negotiation between the government and the developer.

GOLDWATER-NICHOLS REFORMS

In 1986, Congress instituted a series of sweeping reforms to DOD that sought to improve joint operations and delineate the responsibilities of the military departments, unified commands, and the Joint Staff. By all accounts, these reforms were a success and remain a model for bipartisan congressional oversight and reform of national security structures. Three decades after the Goldwater-Nichols Act passed, the threats to our security have become more transregional, multi-domain, and multi-functional, which compels Congress to build on this legislation. Chairman Thornberry's Proposal increases accountability, oversight, integration, and strategic thinking, while preserving civilian control of the military and the role of the Chairman of the Joint Chiefs of Staff as the principal, independent military advisor to the President and Secretary of Defense.

CHAIRMAN OF THE JOINT CHIEFS OF STAFF:

The Chairman's Proposal expands the **advisory role** of the Chairman of the Joint Chiefs of Staff (CJCS) to provide indepednent advice on ongoing operations and on the allocation and transfer of forces across regions to bridge service and COCOM boundaries; it extends the CJCS term from two to four years in a manner that bridges administrations to increase indepednence and provide greater continuity of leadership; and it requires a revamped independent **National Military Strategy** (NMS) identifying ways, ends, and means to support the Secretary's strategy and the President's national security objectives and to syncronize individual COCOM plans. More broadly, the Proposal expands the definition of jobs that qualify for joint duty credit and decreases joint tour lengths from three years to a minimum of two years because operation currency has its own value in improving jointness.

COMBATANT COMMANDS:

The Chairman's Proposal elevates **US. Cyber Command (CYBERCOM)** to a unified command and directs GAO to study the CYBERCOM Commander's dual-hat responsibility as the Director of the National Security Agency. Additionally, the Proposal further de-layers and reduces top-heavy command headquarters by reducing the rank of service and functional component commanders from Four Stars to Three Stars.

OFFICE OF THE SECRETARY OF DEFENSE:

Chairman Thornberry's Proposal will streamline strategic planning within the Department and set the stage for strategy development by leveraging the views of outside experts and Congress. The Proposal will **eliminate the ineffective Quadrennial Defense Review,** which has grown into an autonomous behemouth, and replace it with a new framework for Secretary-led strategic guidance. The Proposal would establish the **Defense Strategy Commission** as an independent panel of bipartisan national security experts appointed by Congress to make recommendations for the nation's defense strategy at the outset of an administration. The Secretary would then be required to issue top-down **Defense Strategic Guidance (DSG)** every four years that sets force structure and resource priorities. This guidance is implemented through classfied annual program and budget guidance ("**Guidance on the Development of Forces (GDF)**") and biennial operational planning guidance ("**Guidance on Contingency Planning (GCP)**") that Congress would now receive to support its oversight.

FOREIGN MILITARY SALES (FMS)

The hyper-bureaucratized process for selling military equipment to foreign militaries often frustrates the United States' ability to develop the capabilities of partners and allies around the world who are fighting alongside U.S. forces. Chairman Thornberry views this area as ripe for fundamental reform, in partnership with the House Foreign Affairs Committee; thus, the Oversight and Investigations Subcommittee, led by Rep. Vicky Hartzler, has initiated a series of briefings and hearings to examine the issue in detail. At the recommendation of Chairman Hartzler, the Proposal directs the GAO to review DOD's role in the FMS process.

SELECTIVE SERVICE

Chairman Thornberry recognizes that it is time for a renewed national conversation about the Selective Service. The Chairman believes that this conversation must be preceded by an assessment of what tasks the Department of Defense would be required to perform in a dire national emergency if a mass mobilization were ordered absent the Selective Service. In his Proposal, Chairman Thornberry requires such an assessment.

THIRD OFFSET STRATEGY

Chairman Thornberry supports the Department's Third Offset Strategy development effort and believes that it is a useful vehicle for focusing the Department on how to deter and counter Russia and China. While much of this focus has been on technology, the Chairman also believes that further attention must be given to strategic thinking about deterrence, including the relationship between conventional and nuclear deterrence. Further, while greater innovation is a necessary element of such a strategy, the Chairman expects DOD to simultaneously address the barriers to entry for private sector partnerships and transfer of innovative technologies to the military.

NEXT-GENERATION PATRIOT RADAR SYSTEM

The future of the Army's air and missile defense architecture is critical to the country's security. The Army strategy would delay fielding a new radar, despite high-technology readiness levels, until 2028; this means our warfighters will be deployed with a 58-year old radar before they get a modernized capability. The Mark will withhold funding to the Army until it develops a new acquisition strategy for the replacement of the Patriot Radar System. The current Army strategy is a case study in how a broken acquisition system results in unacceptable delays in providing the warfighter the technology they need, paced ahead of adversary threats.

STRENGTH

U.S. Marine Corps photo by Cpl. Elize McKelvey

STRENGTH

As stated above, Chairman Thornberry's Proposal makes critical investments in areas cut by the President's Budget – cuts that have degraded our military strength. In every case, these investments have been validated by the Services' statements of unfunded requirements or Committee oversight. These include:

INCREASING THE SIZE OF THE FORCE

The Chairman remains very concerned about the size of the force. Platforms and equipment can only be successfully taken into battle if they are operated and maintained by an adequate number of people. The Mark recognizes end strength number shortfalls and raises the number of Soldiers, Airmen, and Marines to the following: Army - 480,000; Marine Corps - 185,000; Air Forces - 321,000; Air National Guard - 350,000; and Army Reserve - 305,000. These additional people are a step towards strengthening our force and preventing the burn-out of our experienced men and women on the job today.

STRIKE FIGHTER SHORTFALL

Strike fighter aircraft are one of our most lethal options to suppress threats around the globe. Strike aircraft are at the tip of the spear of an attack and later provide support to troops on the ground. The Chairman's Proposal authorizes 11 additional F-35 Joint Strike Fighters (JSF) and 14 additional F/A-18 Hornets. In addition to aircraft, the Mark calls for an assessment of what it would take to restart the F-22 Raptor production line. According to numerous witnesses throughout the Committee's oversight, the Air Force stands to see a shortfall in 5th generation fighter aircraft prior to the JSF coming into service, reinforcing the Chairman's concern that efforts to bridge the gap are inadequate.

ISR

Intelligence, Surveillance, and Reconnaissance (ISR) is a critical capability of our military that allows them to effectively and safely accomplish their mission. During this year's oversight, the Committee heard numerous times how commanders do not get enough ISR. The Chairman's Proposal makes progress on addressing this shortfall. The Proposal requests options for the potential acceleration of the new JSTARS platform's development and fielding. It also authorizes several ISR platforms be modernized or purchased, including Army Grey Eagles, MQ-9 Reapers, and a Navy Triton MQ-4. Each of these UAV platforms provides their respective service with additional ISR assets, which are in high demand.

CYBER SECURITY

The Chairman's Proposal fully funds $6.7 billion, a $900 million increase, for cyber operations. It prioritizes the readiness of the Cyber Mission Forces, including the 133 teams across the Services, cyber tools, and capabilities. The Chairman's Proposal also provides special procurement authority to facilitate recovery from a cyber attack, as well as increases resiliency for DOD networks, weapons systems, and capabilities. Additionally, the Mark supports the funding and enhanced oversight of the development of a new security clearance Information Technology architecture to replace legacy compromised networks in the Office of Personnel Management, and also includes provisions designed to enhance Information Assurance and to mitigate against Insider Threats.

BOMBERS

The bomber fleets are essential to the military's ability to project global power by holding targets at risk with conventional or nuclear weapons. The Chairman's Proposal supports the new B-21 stealth bomber program intended to recapitalize the aging B-1 and B-52 fleets by fully authorizing the research, development, test and evaluation of this critical weapon system.

A-10

The Chairman's Mark includes a provision that would prohibit A-10 aircraft from being retired or placed in storage in fiscal year 2017. That provision would also require the Air Force to maintain a minimum of 171 A-10 aircraft designated as primary mission aircraft inventory, and prohibit the Secretary of the Air Force from making any significant reductions to manning levels with respect to any A-10 aircraft squadron or division until the Director of Operational Test and Evaluation, and the Secretary of the Air Force, submit reports to the congressional defense committees on the results and findings of the initial operational test and evaluation of the F-35 aircraft program, as well as the comparison test and evaluation that examines the capabilities of the F-35A and A-10C.

AIRLIFT AND AIR REFUELING TANKERS

Airlift is a critical part of the military's ability to conduct operations around the world. The Chairman's Proposal includes the Navy and Marine Corps' request for two additional C-40A aircraft, each from their respective unfunded requirements lists. It also authorizes the modernization of 172 legacy C-130H tactical airlifters operated primarily by the Air National Guard and Air Force Reserve. In addition, the Mark authorizes three additional C-130J aircraft from the Air Force's unfunded requirements list. The Chairman's Proposal also supports the procurement of 15 KC-46A Pegasus tankers to begin recapitalizing the aging Eisenhower-era KC-135 and Reagan-era KC-10 fleets.

FORCE PROJECTION & STRATEGIC PRESENCE

The Chairman's Proposal prioritizes force projection of the U.S. Military and its ability to maintain a strategic presence where and when it is necessary. The Mark calls for continued support of the Navy's 11 aircraft carriers and recommends adjustments to the carrier construction program to ensure that remains the case into the 2040s. The Mark also funds three destroyers - one above the President's budget, which will come into service at a critical time for the Navy as missions continue to become more demanding and U.S. presence is required in more corners of the globe. The Proposal seeks to meet Marine Corps requirements by adding one amphibious ship (LPD-29 or LX(R)). It preserves the 10th carrier air wing—the necessary air component of any carrier in its mission to project its power over the horizon. The President's budget planned to eliminate the air wing. The Mark authorizes cruiser phased modernization, rejecting the President's plan to layup more cruisers. The Virginia class submarine remains a critical part of our Navy's strategic presence throughout the world and the Mark requests two Virginia class submarines.

ASSURED ACCESS TO SPACE

Assured access to space is a national security priority. The Committee shares the concern of many members that reliance on Russian-designed rocket engines is no longer acceptable. The Chairman's Proposal, as recommended by Chairman Rogers of the Subcommittee on Strategic Forces, denies the Air Force's request to pursue the development, at taxpayer expense, of new commercial launch systems. It instead focuses on the development of a new American engine to replace the Russian RD-180 by 2019 to protect assured access to space and to end reliance on Russian engines. The Mark also holds the Air Force accountable for its awards of rocket propulsion contracts that violated the FY15 and FY16 NDAAs.

NUCLEAR FORCES

Chairman Thornberry's proposal authorizes the first year of ship construction for the Ohio-class replacement, a program that is scheduled to carry 70% of our nation's strategic weapons. It provides additional funding for the National Nuclear Security Administration's (NNSA) nuclear weapons activities, including critical programs to modernize the nuclear weapons stockpile. The proposal takes action to address the $3.7 billion backlog of deferred maintenance at NNSA that is threatening worker safety and mission performance. The Chairman sets clear priorities for NNSA's core nuclear weapons production programs while prohibiting funding for the Administration's plans to accelerate the retirement of nuclear weapons. The Mark provides enhanced authority for the Department of Energy to mitigate threats from unmanned aircraft at its most sensitive nuclear facilities. The Chairman's Proposal consolidates and strengthens the Air Force's organizational structures to ensure the nation's nuclear command and control and missile warning systems remain robust.

SYRIA

The Chairman's Proposal supports the President's request to train and equip appropriately vetted, moderate Syrian forces, but requires funds be disbursed through the reprogramming process to maximize congressional oversight. The Secretary of Defense must also certify that there are enough U.S. forces deployed in the region to support the strategy for Syria and a plan to retake and hold the ISIS stronghold of Raqqa.

DEFENSE SECURITY COOPERATION

The Department of Defense continues to place greater emphasis on security cooperation, to include building partner capacity. The Chairman supports these efforts to train and support foreign security forces that assist in counterterrorism efforts across the globe.

To address concerns that Security Cooperation efforts are hampered by a confusing patchwork of existing authorities, the Committee is taking the first, crucial step of streamlining and consolidating authorities scattered throughout various sections of current law. The Proposal creates a single, comprehensive chapter in Title 10 of U.S. Code entitled, "Security Cooperation," which combines certain authorities, while at the same time codifying others and placing them into this new chapter.

In addition to helping DOD better manage and navigate existing authorities, the Committee takes steps to consolidate reporting requirements and eliminate duplicative requirements to enhance program effectiveness and transparency.

The Committee continues to support multiple counter-terrorism efforts. The Chairman's Proposal authorizes $750 million for the **Counterterrorism Partnerships Fund (CTPF)** to provide assistance to foreign security forces.

GTMO

The Chairman's Proposal carries the annual restrictions against transferring detainees from the detention facility at **Guantanamo Bay** to the United States and building or modifying facilities in the United States for housing detainees. The Proposal also prohibits DOD from using any funds to transfer the U.S. Naval Base at Guantanamo Bay back to Cuba.

COUNTERTERRORISM

The Chairman's Proposal extends critical DOD authorities utilized by special operations forces (SOF), including Non-Conventional Assisted Recovery, which is utilized to rescue isolated servicemen and women and U.S. citizens. The Proposal also extends the 1208 counterterrorism authority utilized by SOF to work with indigenous or surrogate forces in support of ongoing U.S. counterterrorism objectives. To improve congressional oversight, the Proposal improves reporting of Sensitive Military Activities, and increases periodicity of the statutory requirement for counterterrorism operational briefs to Congress from quarterly to monthly. The Committee also directs a GAO review of DOD biometrics and forensics capabilities used to successfully identity, target, and disrupt terrorists and enemy combatants.

CONFRONTING AGGRESSION

RUSSIA

Over the past year, Russia has maintained its gains in Ukraine, intervened in Syria, and continued to take unprecedented provocative actions against NATO ships and planes. These events all point to the importance of ensuring the U.S. Military has the capability needed to protect the country and our interests, and to assure America's allies and partners.

Russia has employed conventional and unconventional warfare methods to counter U.S. and western interests. To help address this aggression, Congress authorized the **European Reassurance Initiative (ERI). This year, the Committee supports a significant increase in ERI funding over FY16. This funding begins the transition from an assurance posture to deterrence against Russian aggression.** These resources are allocated to specific requirements, including heel-to-toe rotations of U.S. presence in the region, the pre-positioning of an Armored Brigade Combat Team's worth of equipment in Europe, and additional training and exercises. The Proposal also provides increased funding for **U.S. intelligence and warning capabilities, technologies supporting U.S. information operations and strategic communications activities, the Javelin missile system, vehicle active protection systems, aircraft survivability equipment, and recommended at the Army's request, a realignment of funds within the ERI for the procurement of upgraded Abrams tanks and Bradley fighting vehicles.**

Additionally within the ERI, the Committee provides increased funding for Cyber multi-national information sharing and international Cyber exercises and engagements. Increased **Special Operations Forces funding for partnership activities in Central/Eastern Europe**, as well as SOF funding for presence, activities, and training ranges and Information Operations in EUCOM are also provided in the Proposal.

To further address Russian aggression, the Committee denies funding related to Presidential approval of advanced Russian sensors under the Open Skies Treaty while Russia is in violation of the treaty and until the DOD and the Intelligence Community state it no longer poses a threat to U.S. national security. The Mark also withholds DOD funding to support the Executive Office of the President until the White House ceases preventing the implementation of the Chairman of the Joint Chiefs of Staff's military options to respond to Russia's violation of the INF treaty.

UKRAINE

The Committee remains concerned that the President continues to deny lethal assistance to Ukraine to allow it to better defend itself against Russian aggression. The Committee's Proposal builds on last year's authorization and appropriation by providing $150 million for the Ukraine Security Assistance Initiative to help train, equip, and assist the Ukrainian military, National Guard, and security services.

DEFEATING ISLAMIC EXTREMISTS

Provisions in Chairman Thornberry's Proposal reflect his view that U.S. Forces in Afghanistan should not be reduced below 9,800 troops and that the President's incremental approach to confronting ISIS cannot achieve his goal of defeating this terrorist group. Chairman Thornberry believes that politically-motivated troop caps and a lack of transparency about force levels and force requirements in both Iraq and Syria, are emboldening the enemy, demoralizing our allies, hampering public support for the mission, and are ultimately impeding victory over ISIS. Chairman Thornberry further believes that insufficient presence in Iraq and Syria has increased the danger posed by ISIS, as terrorists are able to leave areas under pressure to establish cells in other locations around the world such as Afghanistan, Libya, Egypt, Yemen, and Indonesia.

Chairman Thornberry increases the President's request for funds to train and equip **Iraqi Security Forces** by $50 million, and requires the increase in funding to be provided directly to Kurdish, Sunni, and other local forces in the fight against ISIS. A quarter of the remaining funds would be restricted until the Secretary of Defense submits a plan to retake and hold the ISIS stronghold of Mosul. The Secretary must also certify that the Government of Iraq is taking reasonable steps to keep U.S.-provided equipment and resources out of the hands of terrorists.

ACCOUNTABILITY

Holding senior civilian and military leadership accountable is an important part of congressional oversight. Chairman Thornberry's Proposals include a number of provisions designed to improve processes or enforce prior Congressional Direction.

BIODEFENSE AND COUNTERING WEAPONS OF MASS DESTRUCTION (CWMD)

In response to the 2015 inadvertent shipment of live Anthrax by the Department of Defense to more than 50 locations, the Chairman's Proposal directs several corrective actions identified by the subsequent investigation. This includes implementing a quality control and quality assurance program, studying the DOD select agent enterprise structure, and annual reporting on the select agent program. The Proposal also directs a National Biodefense Strategy to be submitted jointly by the Secretary of Defense and the Secretaries of Homeland Security, Health and Human Services, and Agriculture.

CENTCOM INTELLIGENCE

In response to allegations that senior officials at U.S. CENTCOM improperly influenced intelligence analysis, the Committee, along with HPSCI and HAC-D, established a Joint Task Force to investigate this matter. While the Joint Task Force's investigation is ongoing, initial work has shown that since early 2015, senior intelligence leadership at CENTCOM has implemented various processes and organizational changes without formal documentation, which has led to confusion and uncertainty within the intelligence workforce. The Chairman's Proposal directs the CENTCOM Commander to document the command's intelligence processes and directs the Inspector General of the Defense Intelligence Agency to review intelligence processes and procedures in other combatant commands. Additionally, the Chairman's Proposal will fence funding for the CENTCOM intelligence Fusion Center until the Committee receives documentation about the center's operation and the DOD IG inquiry has been completed.

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