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## S. 3454, the National Defense Authorization Act for Fiscal Year 2011

Summary	1
Major Provisions	
Legislative History	
Previous Votes	
Administration Position	
Amendments	

## Summary

**S. 3454**, the *National Defense Authorization Act for Fiscal Year 2011*, would authorize \$725.7 billion in discretionary budget authority for defense programs in Fiscal Year 2011, which is \$240 million below the President's request. It authorizes \$550.3 billion for the base budget of the Department of Defense (DoD) which is \$1.4 billion more than requested and \$19.7 billion above the level of appropriations currently enacted for Fiscal Year 2010. It authorizes \$157.6 billion for overseas contingency operations (Iraq and Afghanistan) which is \$1.7 billion less than the request and \$5.4 billion less than the \$163 billion assumed for Fiscal Year 2010 (\$130 billion appropriated last year plus \$33 billion in supplemental appropriations currently under consideration). It also authorizes \$17.7 billion for Department of Energy (DOE) national security programs (equal to the request and \$1.2 billion above the level of appropriations enacted for Fiscal Year 2010) and \$33.6 million for the Defense Nuclear Facilities Safety Board (\$5 million above the requested amount).

As outlined in the Senate Armed Services Committee summary, the bill aims to support critical national security priorities to:

- Improve the quality of life of the men and women of the all-volunteer force (active duty, National Guard and Reserves) and their families through fair pay, policies and benefits, including first rate health care, and address the needs of the wounded, ill, and injured service members and their families.
- Provide our servicemen and women with the resources, training, technology, equipment (especially force protection) and authorities they need to succeed in combat and stability operations.
- Enhance the capability of the Armed Forces to conduct counterinsurgency operations and apply the lessons of Iraq to Afghanistan, as appropriate.
- Address threats from nuclear weapons and materials by strengthening and accelerating international nonproliferation programs, maintaining a credible nuclear deterrent, reducing the size of the U.S. nuclear weapons stockpile, and ensuring the safety, security, and reliability of the stockpile, delivery systems, and the nuclear infrastructure.
- Improve the ability of the Armed Forces to counter nontraditional threats, focusing on terrorism and proliferation of weapons of mass destruction and their means of delivery.
- Seek to reduce 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.
- Terminate troubled programs and activities, improve efficiencies, and apply the savings to higher-priority programs.
- Emphasize the reduction of dependency on fossil fuels, seek greater energy security and independence, and pursue technological advances in traditional and alternative energy storage, power systems, and renewable energy production, and more energy efficient ground, air, and naval systems.

• Promote aggressive and thorough oversight of Department of Defense (DOD) programs and activities to ensure proper stewardship of taxpayer dollars and compliance with relevant laws and regulations.

The Senate is expected to consider this bill the week of September 20, 2010,

## **Major Provisions**

*This Legislative Bulletin draws from a <u>summary</u> prepared by the Senate Armed Services Committee staff, the Committee report,* (<u>111-201</u>)*, and the legislative text.* 

## Title I – Procurement

**Subtitle A** – **Authorization of appropriations.** The bill includes \$111.75 billion in base budget authority for procurement, which is \$373.8 million more than the President's budget request.

**Army.** The bill includes \$21.1 billion in base budget authority for Army procurement, which is \$196.4 million below the President's budget request. The bill would authorize:

- \$5.96 billion for aircraft procurement, which is \$15.7 million below the requested amount;
- \$1.67 billion for missile procurement, which is \$217 million below the President's request;
- \$1.62 billion in procurement for weapons and tracked combat vehicles, which is \$99.3 million below the requested amount;
- \$1.95 billion for ammunition procurement, which is \$28.6 million below the requested amount; and
- \$9.93 billion for other procurement, which is \$164.2 million above the request.

**Navy and Marine Corps.** The bill would authorize \$46.89 billion in base budget authority for Navy and Marine Corps procurement, which is \$685.1 million above the President's request. The bill would authorize:

- \$19.1 billion for Navy aircraft procurement, which is \$622.5 million above the request;
- \$3.4 billion for Navy weapons procurement, which is \$41 million above the President's request;
- \$818 million for Navy and Marine Corps ammunition, which is equal to the request;
- \$15.7 billion for Navy shipbuilding and conversion, which is equal to the request;
- \$6.47 billion for Navy other procurement, which is \$21.6 million above the requested amount; and
- \$1.3 billion for Marine Corps procurement, which is equal to the request.

**Air Force.** The legislation would include \$39.36 billion in base budget authority for Air Force procurement, which is \$12.5 million above the requested amount. This amount includes:

- \$15.3 billion for aircraft procurement, which is \$26.2 million below the President's request;
- \$5.47 billion for missile procurement, which is \$7.7 million above the requested amount;
- \$667.4 million for ammunition, which is equal to the request; and
- \$17.9 billion for other procurement, which is \$31 million above the request.

**Defense-wide.** The bill would provide \$4.37 billion in defense-wide base budget authority, which is \$88.4 million above the President's budget request, including:

- \$86.4 million for Special Operations Force (SOF) communications equipment and electronics, which is \$28 million above the requested amount;
- \$86 million for SOF tactical vehicles, which is \$55 million above the President's request;
- \$34.7 million for SOF small arms and weapons, which is \$4.6 million above the requested amount;
- \$44.4 million for SOF visual augmentation, lasers and sensor systems, which is \$25.8 million above the President's request; and
- \$928 million for regional missile defense interceptors, including \$833.9 million for the Terminal High Altitude Area Defense (THAAD) system, and \$94.1 million for Standard Missile-3 procurement.

## Subtitle B – Army Programs

**Airborne Common Sensor and Enhanced Medium Altitude Reconnaissance and Surveillance System (EMARSS).** The bill includes a provision to prohibit the obligation of funds for the EMARSS until DOD certifies to congressional defense committees that the system has successfully completed its limited user tests and demonstrates the performance necessary for successful Milestone C approval, due to concerns about the program's risky development schedule.

**Subtitle C** – **Navy Programs.** The bill includes several provisions related to Navy programs that would:

- Authorize, with conditions, multi-year funding for detail design and construction of the LHA Replacement ship designated LHA-7;
- Prevent the Navy from retiring the EP-3E aircraft and the special projects aircraft (SPA) and direct the Navy to maintain and upgrade theses aircraft to meet evolving threats and operational requirements until it can begin fielding new generations of platforms and sensors that can replace the airborne signals intelligence collection capabilities of the EP-3E and the SPA;
- Require reports on the service life extension of F/A-18 aircraft by the Department of the Navy;
- Tighten the requirements under which the Secretary of the Navy is required to certify that a new shipbuilding program has achieved sufficient design maturity prior to the start of construction on the first ship of any major shipbuilding program; and
- Authorize, with conditions, multi-year procurement authority for F/A-18E, F/A-18F, and EA-18G fighter aircraft.

**Subtitle D** – **Joint and Multiservice Matters.** The bill includes several provisions related to Navy programs that would:

- Require the Secretary of Defense to develop a system management plan and matrix for the F-35 Joint Strike Fighter aircraft program in response to concerns about cost overruns and delays in the program;
- Require, with conditions, the DOD to procure or acquire the capacity of imaging satellites with 1.5-meter telescopes;
- Expand the requirement of the Commander of U.S. Special Operations Command (USSOCOM) to provide quarterly reports to Senate and House Armed Services Committees on the use of Combat Mission Requirements funding to satisfy urgent operational needs; and
- Require DOD to provide Senate and House Armed Services Committees a report analyzing the aircraft that are being considered as platforms for high power solid state laser systems.

## **BUDGET ITEMS**

#### Budget Items – Army. The bill would:

- Provide full funding for Army Aviation programs, including \$1.2 billion to procure 40 CH-47 Chinook helicopters; \$1.3 billion to procure 74 UH-60 Blackhawk helicopters; \$332.7 million to upgrade 16 AH-64 Apache helicopters to the Block III configuration; and \$305.2 million to procure 50 UH-72 Lakota light utility helicopters to meet the Army's current and future helicopter requirements.
- Provide full funding \$1.03 billion for Stryker combat vehicle procurement, safety and survivability upgrades, and advanced component development toward additional force protection enhancements.
- Support the Army's decision to end procurement of new-production HMMWVs after acquiring over 152,000 vehicles since 1983.
- Provide full funding \$981.1 million to reset and rebuild utility and armored HMMWVs returning from Iraq and fill vehicle shortages in the active Army, Reserves, and National Guard.
- Provide full funding (\$1.4 billion) to procure 4,652 Family of Medium Tactical Vehicles to continue modernization of the Army's active and reserve components' truck fleets.
- Provide \$185 million for the Fiscal Year 2011 Chief of Staff of the Army's unfunded procurement priorities, including Line of Communication Bridge, Light Weight Counter-Mortar Radar, Defense Advanced Global Positioning System (GPS) Receiver, Tactical Local Area Network, and Forward Entry Device for the artillery tactical data system.
- Provide an increase of \$133.6 million for the Army's unfunded requirement to upgrade the Patriot PAC-3 missile defense system.

**Terminate troubled programs and activities.** The bill would cut \$105.3 million for Paladin Integrated Management (PIM) program procurement due to schedule delays and would also cut \$305.6 million for Non-Line of Sight-Launch System (NLOS-LS) procurement due to performance shortfalls, high projected costs, and availability of alternative technologies.

**Joint Improvised Explosive Device Defeat Fund (JIEDDF).** The bill would transfer \$215.9 million in funding for JIEDDF included in the President's base budget request to the overseas contingency operations account, provided in title XV of the bill.

## Budget Items – Navy. The bill would:

- Provide full funding for key Navy programs, including the Carrier Replacement Program, *Virginia*-class submarine, DDG-1000, DDG-51, Littoral Combat Ship (LCS), LHA(R) amphibious assault ship, Joint High Speed Vessel, Mobile Landing Platform, V-22 Osprey, and P-8 maritime patrol aircraft.
- Provide \$3.1 billion to buy a total of 40 F-18 aircraft, including 12 E-18G jammer aircraft and 28 F/A-18E/F fighters; add \$325 million to procure an additional 6 F/A-18E/F to keep production at 40 aircraft the same level as last year, in order to address the looming shortfall of strike fighter aircraft; and ensure better prices in the multiyear procurement contract that DOD will sign later this year.
- Fully fund the Chief of Naval Operation's readiness-related unfunded requirements, including an additional \$35 million for ship depot maintenance, \$74 million for aircraft depot maintenance, and \$423 million for aircraft maintenance spare parts.

## Budget Items – Air Force. The legislation would:

- Provide an additional \$102.5 million to continue the re-engining of the Joint Surveillance/Target Attack Radar System (JSTARS) aircraft fleet to address safety of flight issues and reduce operating and support costs. The JSTARS system has been providing intelligence, surveillance, and reconnaissance support to military personnel serving in combat operations, particularly in Afghanistan.
- Increase by \$7.5 million funding for the joint threat emitter (JTE) modernization program in order to increase the capability to support realistic air-to-air, air-to-ground, ground-to-air and electronic warfare training.

**Joint Strike Fighter (JSF) aircraft.** The bill includes \$9.1 billion to build 42 JSF aircraft (22 Air Force, 13 Marine Corps, and 7 Navy), which is equal to the President's base budget request.

#### **Budget Items – Defense-wide.**

**U.S. Special Operations Command (USSOCOM).** The bill would fully fund the President's budget request of \$9.8 billion for USSOCOM, including significant increases above Fiscal Year 2010 levels to help USSOCOM address organic rotary and fixed-wing airlift requirements. It also would provide an increase of \$113.4 million for unfunded requirements identified by the Commander of USSOCOM, including an additional \$55 million for ground mobility vehicles, \$28 million for deployable communications equipment, \$25.8 million for thermal and night vision goggles, \$1.6 million for Special Operations Combat Assault Rifles, and \$3 million for non-lethal weapons technologies.

#### **Reporting requirements.** The bill includes provisions that would:

- Require the Secretary of the Air Force to report to Senate and House Armed Services Committees on efforts underway to provide for aircraft maintenance, upgrades, and replacement of the combat search and rescue HH-60 helicopter fleet.
- Require the Secretary of the Army to reassess the Paladin Integrated Management (PIM) program development and production schedules and report to the Senate and House Armed Services Committees on options for developing, producing and fielding PIM on a compressed schedule.

- Require the Secretary of the Army for Acquisition, Logistics, and Technology to report to Senate and House Armed Services Committees on DOD's acquisition strategy for HMMWV recapitalization.
- Require the Assistant Secretary of the Army for Acquisition, Logistics, and Technology to provide a monthly report to Senate and House Armed Services Committees on the obligation and expenditure of funds for its rapid equipping soldier support equipment program.
- Require the Congressional Budget Office (CBO) and the Secretary of Defense to each report to Congress on the Navy's 30-year shipbuilding plan for amphibious warfare ship force structure.

# Title II – Research, Development, Test, and Evaluation (RDT&E)

**Subtitle A – Authorization of appropriations.** The bill would include \$76.8 billion in RDT&E base budget authority, which is \$667.8 million above the President's budget request. The amount includes \$10.6 billion for the Army, \$17.8 billion for the Navy, \$27.3 billion for the Air Force, \$20.9 billion for Defense-Wide activities, and \$194.9 million for Operational Test & Evaluation.

## Subtitle B - Program Requirements, Restrictions, and Limitations

- Alternative propulsion system for the F-35 Joint Strike Fighter program. The bill includes a provision that would prohibit the spending of additional funds on the F136 engine unless the Secretary of Defense certifies that the development of the alternative propulsion system: 1) will reduce the total life cycle costs of the F-35 Joint Strike Fighter program and improve the operational readiness of the F-35 Joint Strike Fighter aircraft; and 2) will not disrupt the F-35 Joint Strike Fighter program during research, development, and procurement phases of the program or result in the procurement of fewer F-35 Joint Strike Fighter aircraft during the life cycle of the program.
- **National Cyber Range (NCR).** The bill includes a provision that would prohibit the Defense Advanced Research Projects Agency (DARPA) from expending funds for the NCR in the Cyber Security Initiative until the Under Secretary of Defense for Acquisition, Technology, and Logistics submits a report to Senate and House Armed Services Committees on plans for transitioning the NCR to sustainment and operations. Further, the provision states that funds expended on the NCR 90 days after the report is submitted can be used only for research and development activities.
- **Program for research, development, and deployment of advanced ground vehicles, ground vehicle systems, and components.** The bill includes a provision that would authorize the Secretary of Defense to carry out a cost-shared program, in cooperation with industry, academia, and other federal agencies to develop and deploy advanced technology ground vehicles and their component parts.
- **Demonstration and pilot projects on cybersecurity.** The bill includes a provision that would require the Secretary of Defense, in support of and in coordination with the

Department of Homeland Security, to develop and conduct pilot demonstrations using commercial technology. The legislation would authorize \$30 million for such programs.

### Subtitle C – Missile Defense Matters

- Sense of the Congress on ballistic missile defense. The bill includes a provision that expresses the Sense of the Congress supporting ballistic missile defense programs, including the Phased Adaptive Approach to missile defense in Europe, the Ground-based Midcourse Defense system and interceptors, and increased cooperation with Russia relative to Iran's ballistic missile threat.
- **Medium Extended Air Defense System (MEADS).** The bill includes a provision that would limit the availability of Fiscal Year 2011 funding for MEADS until several conditions are met, including a DOD program review and analysis of alternatives and the submission of a report to the congressional defense committees.
- Acquisition accountability reports on the Ballistic Missile Defense System. The bill includes a provision that would require the Missile Defense Agency to establish and maintain acquisition baselines for cost, schedule, and performance of its missile defense programs, and report annually to Congress on the baselines.
- **Independent review and assessment of the GMD system.** The legislation includes a provision that would require the Secretary of Defense to select an independent entity to conduct a review and assessment of the GMD system.

#### **BUDGET ITEMS**

**Space Programs.** The bill includes provisions that would:

- Provide \$50 million for new military satellite communications technology development for future applications.
- Add \$20 million for Operationally Responsive Space to support its core activities.
- Provide \$110 million for the National Polar-Orbiting Operational Environmental Satellite System and direct DOD to establish a new program for weather satellites as soon as possible to avoid any gaps in coverage.
- Cut \$30 million from the Space-based space surveillance system follow-on program due to program delays.
- Add \$15 million for operations to support utilization of the Space-based Infrared Satellite Highly Elliptical Orbit sensor and for the ground control stations.
- Add \$25 million for new military infrared satellite technology development for future applications.
- Add \$15 million to the space test program for additional small launch capacity.
- Authorize an additional \$30 million for sensor integration and ensure nuclear detection sensors are manifested on space platforms.

Additional funding for key Navy programs. The bill includes additional funds for various Navy programs to expand the capability of our forces to conduct new missions and survive in

higher threat situations; including such programs as Phalanx self defense system, the NULKA decoy system, and the program to expand the capability of our submarines to carry new payloads.

**Ballistic missile defense.** The bill would authorize \$8.4 billion for the Missile Defense Agency (MDA), which is equal to the President's request, and provides an additional \$205 million to MDA for the Israeli Iron Dome short-range rocket defense program. It would also authorize \$1.5 billion for Army missile defense programs, which is equal to the President's request, and authorize an additional \$133.6 million for Patriot PAC-3 upgrades, for a total missile defense authorization of \$10.2 billion.

**Coordination of the Minerva Program, the Human Social Cultural Behavior Modeling Program, and Strategic Multi-layer Assessment efforts.** The bill includes a provision to support and direct better cooperation of DOD's Minerva program and other related research in social, cultural, and behavioral sciences in support of counterterrorism and counterinsurgency strategies, psychological operations, and other influence activities and efforts to counter violent extremism.

**Defense Science Board study on cyber research and development.** The bill includes a provision requiring the Under Secretary of Defense for Acquisition, Technology, and Logistics to report on a strategy for organizing the research and development organizations within DOD to develop "leap ahead" cyber operations, and the Defense Science Board to conduct an independent assessment of this strategy.

**Science and Technology initiatives.** The legislation authorizes a net increase of \$325 million above the budget request level of \$11.8 billion for Science and Technology activities. The bill includes provisions that would increase funding by nearly \$200 million for cutting-edge RDT&E projects with an emphasis on pursuing technological advances in traditional and alternative energy storage, power systems, manufacturing and supply chain capabilities, advanced materials, renewable energy production, and more energy efficient ground, air, and naval systems.

The bill also would support DOD's overall medical research program by adding nearly \$50 million for additional research on trauma care, blast injuries, visual impairment, and other DOD medical research areas.

## Title III – Operation and Maintenance

**Subtitle A – Authorization of appropriations.** The bill would authorize \$168.2 billion for operation and maintenance, which is \$345.2 million above the base budget request. The bill would provide full funding for readiness and depot maintenance programs, so as to ensure that forces preparing to deploy are trained and their equipment is ready. It would add funding for the highest priority unfunded needs identified by the Chiefs of Staff aimed at restoring material readiness.

## Subtitle B – Environmental Provisions

**Commission on Military Environmental Exposures.** The bill includes a provision that would require the President to establish a commission to provide expert advice to the President

and Congress on matters relating to exposures of current and former members of the Armed Forces and their dependants to environmental hazards on military installations.

## Investigation of exposure to drinking water contamination at Camp Lejeune,

**North Carolina.** The bill includes a provision that would require the Secretary of the Navy to take certain actions to ensure the Agency of Toxic Substances and Disease Registry has access to all documents relevant to the water contamination at Camp Lejeune in North Carolina.

**Subtitle C – Workplace and Depot Issues.** The legislation includes provisions that would require the Director of the Defense Logistics Agency (DLA) to report on the status of the DLA Joint Logistics Operations Center's drawdown, retrograde, and reset program for the equipment from Iraq and Afghanistan.

**Subtitle D** – **Energy Security.** The bill includes a provision that would establish goals for the alternative aviation fuel initiative of the Air Force and require submission of reports by the Air Force, the Army, the Navy, and the Defense Science Board.

**Subtitle E – Other Matters.** The bill includes other provisions that would:

- Extend the authority for working-capital funded Army industrial facilities and arsenals to sell articles and services outside DOD.
- Extend the authority for providing logistics support and services for weapon system contractors in DOD.
- Prohibit the unauthorized sale or disposition of DOD property to prevent the circulation of sensitive military items in the private sector, as requested by DOD.
- Modify title 10, United States Code, to expand the means by which DOD may transport civilian passengers and commercial cargo in response to natural disasters or other emergencies, and to allow DOD to use any amounts of reimbursements to offset the cost of providing support.

#### **BUDGET ITEMS**

**Chief of Naval Operation's readiness-related requirements.** The bill would authorize additional funding to address unfunded requirements submitted by the Chief of Naval Operations, including an additional \$74 million to fully restore aircraft depot maintenance requirements, an additional \$35 million for ship depot maintenance, and an additional \$423 million for aircraft maintenance spare parts.

**Chief of Staff of the Air Force's readiness-related requirements.** The bill would authorize an additional \$337 million to address unfunded requirements submitted by the Chief of Staff of the Air Force for weapon system sustainment, including added depot maintenance for the B-2, the B-1, the A-10, the KC-135, the C-5, and the C-135.

**Readiness and Environmental Protection Initiative.** The bill would authorize an additional \$25 million (above the \$39.8 million requested) to enhance funding of priority projects to protect mission training sites by preventing or reducing encroachment through the creation of compatible-use buffer zones.

The bill also includes provisions that would:

- Require the Secretary of the Navy to provide a report to Senate and House Armed Services Committees on its strategy for accomplishing the five energy goals the Secretary announced in October 2009.<sup>1</sup>
- Require the Chiefs of Staff of the Army to submit a report to Senate and House Armed Services Committees on the Rapid Fielding Initiative pilot study and plans for ensuring that reserve component forces have the equipment they need for efficient and effective training prior to deployment.
- Require the Comptroller General to submit a review to Senate and House Armed Services Committees on Army and Marine Corps readiness reporting.

## Title IV – Military Personnel Authorizations

## Subtitle A – Active Forces

**Active duty end strengths.** The bill would authorize the following end strengths for Active Duty personnel by the end of Fiscal Year 2011, consistent with the Administration's request: 569,400 for the Army, which is 7,000 above last year's authorization; 328,700 for the Navy; which is 100 below last year's authorization; 202,100 for the Marine Corps, which is equal to last year's authorization; and 332,200 for the Air Force, which is 500 above last year's authorization.

## Subtitle B – Reserve Forces

**End strength for Selective Reserve.** The bill would authorize the following end strengths for selective Reserve personnel by the end of Fiscal Year 2011, consistent with the President's request: 358,200 for the Army National Guard; 205,000 for the Army Reserve; 65,500 for the Navy Reserve; 39,600 for the Marine Corps Reserve; 106,700 for the Air National Guard; 71,200 for the Air Force Reserve (1,700 above last year's level); and 10,000 for the Coast Guard Reserve.

The bill would also:

- Support the President's request for authorizations of end strengths for Reserves on active duty in support of the Reserves;
- Support the President's request for authorizations of end strengths for National Guard and Reserve military technicians;
- Retain limitations on National Guard and Reserve non-dual status technicians consistent with prior years; and
- Support the President's request for the maximum number of Reserve personnel authorized to be on active duty for operational support.

## Subtitle C – Authorization of Appropriations

The bill would authorize a total of \$138.5 billion in base budget authority for the DoD for military personnel and related costs, including costs of pay, allowances, bonuses, death benefits,

<sup>&</sup>lt;sup>1</sup> U.S. Navy, *Press Release*, <u>10/16/09</u>.

and permanent change of station moves. This amount is equal to the President's budget request. Additionally, the bill would authorize a 1.4 percent pay raise for military personnel, which is equal to the Administration's request.

**Subtitle D – Armed Forces Retirement Home.** The bill would authorize \$71.2 million from the Armed Forces Retirement Home Trust Fund for the operation of the Armed Services Retirement Home.

## Title V – Military Personnel Policy

Subtitle A – Officer Personnel Policy. The bill includes provisions that would:

- Require the promotion selection boards considering certain officers who have served on the Joint Staff or who are joint qualified to include as a member of the board at least one joint qualified officer.
- Clarify that the nondisclosure provisions applicable to promotion selection boards for officers on the active-duty list and on the reserve active-status list are also applicable to promotion selection boards for warrant officers and for special selection boards.
- Require the administrative removal of an officer's name from a promotion list if the officer was discharged, dropped from the rolls, or transferred to retired status before being promoted.
- Make technical changes to the definition of "joint matters" for the purposes of joint officer management.
- Authorize officers in the grade of O-9 or O-10, who have been confirmed by the Senate, to wear the insignia of that higher grade for 14 days before assuming the duties of the position for which the higher grade is authorized.
- Provide temporary authority for service secretaries to approve the voluntary retirement of officers who have completed 8 years of active service as a commissioned officer and 20 years of total active service.
- Authorize the appointment of individuals with certain medical skills who will not be able to complete 20 years of service by age 62 as regular and reserve officers and authorizes service secretaries to defer mandatory retirement of certain health professions officers until age 68.
- Authorize the Secretary of the Air Force to allow permanent professors at the United States Air Force Academy on operational tours or sabbatical duty away from the Academy to exercise command of units to which they are assigned.
- Authorize the appointment of warrant officers, W-1, in both the regular and reserve components to be made by warrant or commission.

- Authorize the service secretaries to delay the mandatory separation or retirement of warrant officers against whom disciplinary action has been commenced.
- Authorize graduates of the National Defense Intelligence College to receive credit for completion of joint professional military education Phase I.
- Authorize adjunct faculty of the Armed Forces Staff College to teach the joint professional military education Phase II course of instruction at other locations.

## Subtitle B – Reserve Component Management. The bill includes provision that would:

- Repeal the requirement that an officer transferring from the active component to the reserve component execute a new oath of office.
- Authorize service secretaries to designate certain Reserve officers as not to be considered for promotion if they are earning retirement points only for membership in a reserve component.
- Authorize assignment of Air Force technicians (dual status) outside of the Air Force Reserve unit program.
- Authorize the reserve components to hire additional non-dual status technicians on a temporary basis to fill vacancies created by mobilized dual status technicians.
- Authorize direct appointment of graduates of the United States Merchant Marine Academy into the National Guard.

#### Subtitle C – Education and Training. The bill includes provisions that would:

- Authorize medical students attending the Uniformed Services University of the Health Sciences and students participating in the armed forces Health Professions Scholarship and Financial Assistance Program who have prior commissioned service to serve, while on active duty, in pay grade O-1, or in pay grade O-2, if they meet specified promotion criteria prescribed by the service secretary.
- Authorize the service secretaries to waive the maximum age limitations for up to five enlisted members per year for admission to the military service academies who 1) turn 23 years of age while serving in Operation Iraqi Freedom or Operation Enduring Freedom; 2) possess exceptional overall records; and 3) will be under age 26 upon entry to the academy.
- Clarify that graduates of service academies participating in the Armed Forces Health Professions Scholarship and Financial Assistance Program (HPSP) must serve their academy service obligation on active duty after graduating from HPSP.
- Authorize loan repayment for students who incurred student loans pursuing an appropriate degree prior to enrolling in the HPSP.

- Increase from 20 to 35 the number of eligible private sector civilians authorized to receive instruction at the National Defense University.
- Establish a minimum enrollment of 75 for Junior Reserve Officers' Training Corps units at institutions with a total student enrollment below 1,000 and a minimum enrollment of 100 in units at institutions with a total student enrollment over 1,000.
- Increase the maximum age for eligibility to receive a Reserve Officers' Training Corps scholarship from age 31 to 35.
- Authorize service secretaries to pay a lump sum payment for the balance of any loans the services agreed to pay under a written agreement existing at the time of a service member's death.
- Make technical and clarifying changes to the DOD undergraduate nurse training program and change the date for initiation of a pilot program to increase the number of nurses serving in the armed forces to no later than August 31, 2012.
- Authorize members of the Selected Reserve to serve on active duty or in the Selected Reserve to fulfill a service obligation incurred due to the acceptance of a fellowship, scholarship, or grant.
- Authorize DOD to establish a health professionals scholarship and financial assistance program for eligible civilians.
- Require the Secretary of Defense to report annually on the status of DOD graduate medical education programs.

#### Subtitle D – Defense Dependents' Education. The legislation would:

- Authorize \$30 million in impact aid, \$5 million in special assistance to local education agencies affected by Base Realignment and Closure Commission (BRAC) and force relocations, and \$10 million in impact aid for children with severe disabilities.
- Authorize enrollment in DOD elementary and secondary schools for dependents of wounded, ill, or injured service members residing in temporary housing and service members in temporary housing due to a base housing privatization project, regardless of whether the housing is on federal property.

#### Subtitle E – Leave and Related Matters. The bill includes provisions that would:

- Authorize reserve component members to carry over leave accumulated during periods of active service without regard to separation or release from active service, subject to otherwise applicable leave carry over limits.
- Authorize service secretaries to provide certain service members rest and recuperation absence of up to 15 days, including round trip travel at government expense, which is not charged against ordinary leave.

## **Subtitle F – Military Justice Matters.** The legislation would:

- Amend Article 120 of the Uniform Code of Military Justice (UCMJ) relating to offenses of rape, sexual assault, and other sexual misconduct, to create three separate articles of the UCMJ to correct deficiencies in existing law.
- Increase the maximum fine for contempt in military justice proceedings to \$1,000, and add certain actions as a basis for punishment by contempt.
- Authorize boards, trial counsel, and convening authorities to issue *subpoenas duces tecum* for the production of documentary evidence prior to a trial by court-martial.

## Subtitle G – Awards and Decoration. The bill includes provisions that would:

- Authorize the Secretary of Defense to allow the issuance of a Cold War Service Medal by the service secretaries.
- Authorize the award of the Bronze Star to certain members of military forces of friendly foreign nations serving with U.S. forces in imminent danger pay areas.

## Subtitle H– Wounded Warrior Matters. The bill includes provisions that would:

- Prohibit the involuntary administrative separation of a service member who has been deemed fit for duty by a Physical Evaluation Board (PEB) but who is subsequently determined to be unsuitable for deployment based on a medical condition that was considered by the PEB.
- Authorize expedited background investigations for security clearances for wounded warriors and spouses seeking employment with DOD or DOD contractors.

#### Subtitle I– Military Family Readiness Matters. The bill includes provisions that would:

- Require the addition of two members to the DOD Military Family Readiness Council, namely, the Director of the Office of Community Support for Military Families with Special Needs and the spouse of an officer serving in the grade of general or admiral.
- Require enhanced community support for military families with special needs.
- Require the Secretary of Defense to report on child development centers and financial assistance provided by DOD for off-installation childcare.
- Require the Secretary of Defense to conduct a pilot program to award scholarships to certain military children with special needs.

#### Subtitle J – Other Matters. The bill includes provisions that would:

• Repeal the "Don't Ask, Don't Tell" statute limiting gay, lesbian, and bisexual service in the military effective 60 days after the President, Secretary of Defense, and Chairman of the Joint Chiefs of Staff certify to Congress that: 1) they have considered the report of

DOD's comprehensive review of the implementation of the repeal of the statute; 2) DOD has prepared the necessary policies and regulations to implement the repeal; and 3) the implementation of these policies and regulations is consistent with the standards of military readiness, military effectiveness, unit cohesion, and recruiting and retention.

- Require the Secretary of Defense to prescribe a policy on the recruitment and enlistment of graduates of charter schools.
- Update the terminology for the Army Medical Service Corps to reflect its current structure.

#### Other key items in this title would:

- Direct the Secretary of Defense to report on DOD educational programs and childcare provided for military dependent children with special needs, and whether those programs comply with applicable disability law.
- Recommend that the Secretary of Defense review current mobilization authorities and submit a legislative proposal for any additional authority needed to activate reserve component personnel for operational requirements.
- Require the Comptroller General to review the legislative and educational fellowships and training-with-industry programs of the DOD to assess their compliance with law and policy.

## Title VI – Compensation and Other Personnel Benefits

#### Subtitle A – Pay and Allowances. The bill includes provisions that would:

- Extend the authority to pay a higher rate of basic allowance for housing in areas affected by major disasters or at installations experiencing a sudden influx of personnel.
- Repeal the mandatory high-deployment allowance.
- Clarify that civilian employees of the federal government may not receive income differential payments concurrently under both titles 5 and 10, United States Code.
- Require the Secretary of Defense to report to the congressional defense committees within 180 days of the date of enactment of this Act on certain expenses incurred by service members during permanent change of station moves, including the costs incurred in shipping a second personally owned vehicle.
- Direct the Secretary of Defense to report on the standards used to determine eligibility for and level of compensation of basic allowance for housing for personnel assigned to sea duty.

**Subtitle B – Bonuses and Special and Incentive Pays.** The bill would reauthorize over 30 types of bonuses and special pays aimed at encouraging enlistment, reenlistment, and continued service by active-duty and reserve component military personnel.

**Subtitle C – Travel and Transportation Allowances.** The bill includes provisions that would:

- Authorize travel and transportation allowances for members of the uniformed services and up to three designees to attend Yellow Ribbon Reintegration Program events.
- Authorize the Secretary of Defense and the service secretaries to pay replacement value for property lost or damaged during a household goods shipment, under certain circumstances where reimbursement is not available from the contracted carrier.

## **Subtitle D – Disability, Retired Pay, and Survivor Benefits.** The bill includes provisions that would:

- Eliminate the automatic enrollment of service members as dependents under the Family Servicemembers' Group Life Insurance program when they are already insured on their own behalf under the Servicemembers' Group Life Insurance program.
- Establish the rate of monthly stipend under the DOD family caregiver compensation program as the amount of the caregiver stipend under the VA program of comprehensive assistance for family caregivers.

#### Other key provisions in this title would:

- Direct the Comptroller General to assess DOD and service use of cash incentives to fill hard-to-fill or critically short positions, including verifying that DOD and the services have effective mechanisms in place to designate appropriately positions as critical and that they do in fact require incentives to fill.
- Require the Comptroller General to review a DOD study on housing surveys and standards used to set basic allowance for housing (BAH) rates and to independently assess the effects of DOD base realignment decisions on post populations and whether DOD has adequately accounted for these decisions in determining proper BAH rates.

## Title VII – Health Care Provisions

#### **Subtitle A – TRICARE Program.** The bill includes provisions that would:

- Extend for one year the limitation on charges for inpatient care in civilian hospitals under TRICARE Standard.
- Authorize TRICARE coverage for eligible dependents up to age 26.

- Recognize licensed mental health counselors as authorized providers under the TRICARE program and urge DOD to take steps to create a comprehensive quality management system for mental health professionals.
- Require the Secretary of Defense to submit a plan to enhance quality, efficiencies, and savings within the military health care system.

#### **Subtitle B – Health Care Administration.** The bill includes provisions that would:

- Require that post-deployment health reassessments be included in the medical tracking system and quality assurance program for members deployed overseas.
- Repeal the prohibition on use of DOD medical facilities for the performance of abortions, while maintaining the existing prohibition on the use of government funds for abortion procedures.
- Authorize the Secretary of Defense to pay travel expenses for command-sponsored dependents of service members assigned to remote areas to travel to the United States to receive obstetrical anesthesia services for childbirth.
- Align the Wounded Warrior Act with the Health Insurance Portability and Accountability Act (HIPAA) to permit the release of medical information of service members transitioning to the VA medical system without the need to obtain specific authorization from the service member.
- Authorize certain National Guard personnel with a current health care license to provide health care while performing training or duty under title 32, United States Code, in response to an actual or potential disaster.
- Require the Secretary of Defense to develop and implement education and training programs on the use of pharmaceuticals for patients in, or in transition to, a wounded warrior unit, medical caregivers, medical and nonmedical case managers, military leaders, and family members.

**Subtitle C – Reports.** The bill includes provisions that would:

- Require the Secretary of Defense to report on support for service members who experience traumatic injury as a result of DOD-required vaccinations.
- Repeal the annual requirement that the Secretary of Defense report on the number of service members separated due to refusing to take the anthrax vaccine.

#### Other key provisions in this title would:

- Direct the Secretary of Defense to report on certain issues related to cognitive rehabilitation therapy for traumatic brain injury.
- Encourage the use of embedded behavioral health providers in active duty units as well as for the National Guard and Reserve.

• Require the Secretary of Defense to report on the application process for provision of temporary military contingency payment adjustments under the TRICARE Outpatient Prospective Payment System.

## Title VIII – Acquisition Policy, Acquisition Management, and Related Matters

**Subtitle A – Provisions Relating to Major Defense Acquisition Programs.** The legislation includes provisions that would:

- Make improvements to the structure and functioning of the Joint Requirements Oversight Council.
- Clarify that conservative cost estimates developed for baseline descriptions and budgetary purposes should not become the basis for negotiations with contractors and the obligation of funds.
- Require the Secretary of Defense to issue comprehensive guidance on the management of manufacturing risk in major defense acquisition programs.

## **Subtitle B – Acquisition Policy and Management.** The bill includes provisions that would:

- Authorize the Secretary of Defense to take steps needed to reduce supply chain risk in the acquisition of sensitive information technology systems.
- Require companies to certify for all DOD contracts valued over \$1 million that they are not engaging in any activity for which sanctions may be imposed under the Iran Sanctions Act of 1996.

#### **Subtitle C – Amendments Relating to General Contracting Authorities, Procedures, and Limitations.** The bill includes provisions that would:

- Establish a pilot program for the streamlined acquisition of military purpose items that have already been developed at private expense.
- Clarify the government's right to use technical data that is developed exclusively at government expense when needed to ensure competition for follow-on contracts.
- Enhance DOD's ability to rapidly acquire and field new capabilities in response to urgent needs on the battlefield by expanding DOD's authority to waive statutory requirements when needed to save lives on the battlefield, and require DOD to establish a comprehensive process for evaluating and addressing urgent operational needs identified on the battlefield.

**Subtitle D** – **Contractor Matters.** The bill would streamline acquisition processes and improve contractor oversight by including provisions that would:

- Require the review and evaluation of contractor business systems to ensure that these systems are adequate to protect the government's interests.
- Require contracting activities to assign an appropriate number of personnel to the oversight of contractors performing private security functions in areas of combat operations.
- Make contractors expressly responsible for the conduct of their subcontractors who provide private security services.
- Establish specific contractual remedies for failures to comply with the requirements of law or regulation, or with directives from combatant commanders, in the provision of private security services.
- Enhance DOD's authority to take action against contractors who are found to have jeopardized the health or safety of government personnel.

Additionally, this title would direct the DOD to ensure that Configuration Steering Boards meet on an annual basis, as required by law.

## Title IX – Department of Defense Organization and Management

**Subtitle A – Department of Defense Management.** The bill includes a provision that would revise the structure and functions of the Reserve Forces Policy Board.

#### Subtitle B – Space Activities. The legislation would:

- Direct the Secretary of Defense to implement recommendations to sustain the solid rocket motor industrial base.
- Express the Sense of the Senate that programmatic actions of NASA may have an impact on DOD space and missile programs and direct the Secretary of Defense to study and report on any impact.
- Require the Secretary of Defense, in consultation with the Administrator of the National Aeronautics and Space Administration (NASA), to develop a plan to sustain the liquid rocket motor industrial base.

#### Subtitle C – Intelligence Matters. The bill would:

• Direct the Secretary of the Air Force to report on the concept of operations for unmanned aerial vehicles (UAVs) to meet ISR requirements, including a description of the requirements, and current and future manpower staffing and training requirements to support both operations of the UAVs and analysis of the information collected.

• Direct the Chief of Staff of the military services to report to the Secretary of Defense on their respective use, management and coordination of UAVs for ISR, including current and future requirements and management of shortfalls.

### Subtitle D – Cyber Warfare, Cyber Security, and Related Matters.

- Require the Secretary of Defense to implement continuous monitoring of computer networks to improve security and Federal Information Security Management Act (FISMA) compliance and reporting.
- Direct the Secretary of Defense to develop a strategy to address software vulnerabilities for systems in development, during milestone approvals, testing, undergoing security certifications, and while running an operational status.
- Require DOD to develop a tailored acquisition process for cyberspace that would ensure agility and speed to meet the unique and demanding requirements of cyber warfare and also provide for proper transparency, oversight, discipline, and rigorous test and evaluation.
- Require the Secretary of Defense to review and submit a report to Congress on the cyber warfare policy of DOD, including legal, strategy, and doctrinal issues.
- Require annual reports on the nature of and the damages caused by cyber attacks and net assessments of the cyberwar capabilities of the United States and potential adversaries to determine whether the U.S. is making progress in improving our cyber security.

**Subtitle E – Other Matters.** The bill would direct the Secretary of Defense to conduct a review of DOD's organizational structure and policy guidance relating to information operations activities, which is defined by DOD to include electronic warfare, computer network operations, psychological operations, military deception, and operations security.

## Title X – General Provisions

**Subtitle A – Financial Matters.** The bill would authorize the transfer of up to \$5 billion of funds authorized in Division A of this act to unforeseen higher priority needs, in accordance with reprogramming procedures.

**Subtitle C – Counterdrug Matters.** The bill would extend three longstanding counterdrug programs, including:

- Authority for a joint task force conducting counternarcotics training and assistance to a foreign government to also provide counterterrorism training and assistance;
- Extend the numeric limitations on U.S. defense personnel and DOD civilian contractors in Colombia; and

• Authority to provide support to certain foreign governments (mostly in South and Central America, Central Asia, and West Africa), and expand the list of countries that could qualify for assistance to the government of Nicaragua.

## **Subtitle D – Homeland Defense and Civil Support.** The bill includes provisions that would:

- Prohibit DOD from deactivating its existing Chemical, Biological, Radiological, Nuclear, or High-Yield Explosive Consequence Management Forces (CCMRF) until 90 days after the Secretary of Defense certifies that there exists within the military an alternative response capability at least as good as the two existing CCMRFs.
- Authorize DOD to make excess or surplus military supplies available to state and local emergency response and homeland security agencies.

## Subtitle E – Miscellaneous Authorities and Limitations.

**National Guard support to secure the southern U.S. border.** The bill includes a provision that would require the Secretary of Defense to deploy 6,000 National Guard personnel to help secure the U.S-Mexico border. The National Guard personnel would serve in State status, but would be paid out of federal funds. The DOD estimates the cost of the deployment at \$700 million per year, including both personnel and operational costs.

Guantanamo Bay matters. The bill includes provision that would:

- Extend, through the end of 2011, the prohibition (as established in section 1041 of the *National Defense Authorization Act for Fiscal Year 2010*) on the use of funds available to DOD to release any detainee at the Guantanamo Bay detention facility into the United States, its territories, or possessions and also continue the prohibition on the use of DOD funds for the transfer of any Guantanamo detainee into the United States until 45 days after the President submits a detailed, comprehensive plan for the disposition of any such detainee.
- Prohibit for one year the use of DOD funds to transfer individuals held at the Guantanamo Bay detention facility to countries where al Qaeda has an active presence, specifically Afghanistan, Pakistan, Saudi Arabia, Somalia and Yemen.

**Guilty pleas in military commission.** The bill would clarify the procedures for guilty pleas in the trial of capital cases by military commissions and provide that a sentence of death may only be imposed by a unanimous vote of all members of a military commission concurring in the sentence.

**Military impacts of renewable energy projects.** The bill would require the Secretary of Defense to establish a comprehensive strategy for addressing the military impacts of renewable energy projects and other energy projects, with the objective of ensuring that the robust development of renewable energy sources and the expansion of the commercial electric grid can move forward in the United States without adverse impacts on military operations and readiness.

**Safety and security baselines for nuclear weapons.** The bill directs the Secretary of Defense and Secretary of Energy, acting through the Nuclear Weapons Council, to develop high level criteria for determining the appropriate baseline for the safety and security of nuclear weapons and a methodology for determining the level of safety and security for each type of nuclear weapon.

**Subtitle F – Reports.** The bill includes a provision that would direct the Secretary of Defense to submit to Congress a report on U.S. efforts to defend against potential future threats posed by the anti-access and area-denial capabilities of potentially hostile nation-states.

## Other key provisions in this title would:

- Endorse the Secretary of Defense's initiative to consolidate and improve the current export control regime.
- Require a report on the current capabilities and requirements of U.S. Special Operations Forces to interdict and render safe weapons of mass destruction materials.

## Title XI – Civilian Personnel Matters

**S. 3454** would:

- Modify authorities relating to personnel demonstration laboratories to clarify that the repeal of the National Security Personnel System has no effect on the direct hiring authority of defense laboratories and to increase the number of positions for which direct hiring authority may be used.
- Codify the regulation issued by the Secretary of Defense to ensure that all senior mentors employed by DOD are hired as highly-qualified experts and are required to comply with all applicable federal laws and regulations.
- Extend for one year the authority to waive limitations on the aggregate of basic and premium pay payable to federal civilian employees working within the U.S. Central Command (CENTCOM) area of responsibility.
- Authorize the Secretary of Defense to designate any category of health care occupation within DOD as a shortage category or critical need occupation and provide enhanced appointment and compensation authority for health care personnel for care and treatment of wounded and injured members of the armed services.
- Make technical changes to the *Non-Foreign Area Retirement Equity Assurance Act of 2009*.
- Temporarily authorize overtime pay for civilian employees of the Department of the Navy assigned to perform work on the nuclear aircraft carrier that is home-ported in Japan.

• Direct DOD to submit an action plan addressing the conversion of employees from the National Security Personnel System to the General Schedule.

## Title XII – Matters Relating to Foreign Nations

Subtitle A - Training and Assistance. S. 3454 includes provisions that would:

- Expand upon DOD's authority to provide logistic support, supplies and services to allied forces to enhance their ability to operate with the logistical support systems of other military forces participating in combined operations with the United States, by authorizing DOD to also provide such support, supplies and services to nonmilitary entities of an allied government if doing so would directly benefit the U.S. armed forces.
- Extend DOD's authority to loan protective equipment to coalition partners prior to their deployment into Afghanistan so these forces can train on equipment similar to what they will use once they arrive in theater.
- Authorize the Secretary of Defense to provide up to \$75 million in equipment, supplies, and training to the Yemen Ministry of Interior counterterrorism force.

## Subtitle B – Matters Relating to Iraq, Afghanistan, and Pakistan.

**Commanders Emergency Response Program.** The bill would extend for one year the authority for CERP, which enables commanders in Iraq and Afghanistan to fund humanitarian relief and reconstruction projects that provide for immediate benefits to the local population.

**"Train and equip" authority. S. 3454** would provide increased flexibility under DOD's "train and equip" authority to build the capacity of coalition partners in Afghanistan to conduct stabilization operations and special operations.

**Coalition Support Fund.** The bill would extend funding for the Coalition Support Fund to reimburse Pakistan and other key nations cooperating in contingency operations in Afghanistan and to provide specialized training and loan specialized equipment to coalition partners in Afghanistan.

**Pakistan Counterinsurgency Fund. S. 3454** would extend the Pakistan Counterinsurgency Fund, to be resourced with funds transferred from the Department of State, to build the capacity of the Pakistan Frontier Corps and the Pakistan Army to conduct counterinsurgency.

**Training of the Afghan National Police.** The bill includes a provision that expresses the sense of the Congress that the U.S. government should take measures to improve its capacity to advise and mentor the Afghan National Police (ANP). The bill also includes reporting requirements to Congress on police training in Afghanistan, Iraq and elsewhere.

## Subtitle C – Reports.

**Progress in Afghanistan. S. 3454** would extend for one year the requirement for the Secretary of Defense to report to Congress on a semi-annual basis on progress toward security and stability in Afghanistan.

**Iran.** The bill includes a provision that directs the President to submit to Congress a report on U.S. engagement with Iran, which is similar to the reporting requirement included in last year's Defense Authorization bill.

The bill also directs the Comptroller General to provide a semi-annual report on commercial activity in Iran's oil, gas, and petrochemical sectors, as well as on entities that have aided the Iranian government's efforts to filter the use of the internet, disrupt cell phone communications, monitor online activities, and jam the signals of U.S. and other international broadcasts into Iran.

**Strategy to counter violent extremism.** The bill would direct the Defense Policy Board to conduct a review and evaluation of DOD's strategy to counter violent extremism, and report to Congress.

**Lord's Resistance Army (LRA).** The bill would require the Secretary of Defense to develop a strategy for providing military, logistics, and intelligence support for the President's efforts, in line with the *Lord's Resistance Army (LRA) Disarmament and Northern Uganda Recovery Act* recently signed into law, to help mitigate and eliminate the threat to civilians and regional stability posed by the LRA atrocities in Central Africa.

**U.S.-Republic of Korea Combined Forces Command and operational control. S. 3454** includes a provision that would require the Secretary of Defense to submit to Congress an assessment of the progress of preparations that have been made to transfer operational control of U.S. and Republic of Korea armed forces and to describe under what circumstances the planned April 2012 transfer of operational control would be adjusted.

## Title XIII – Cooperative Threat Reduction

**S. 3454** would authorize \$522.5 million for DOD's Cooperative Threat Reduction (CTR) program, which is equal to the President's request. The bill would require a joint DOD/DOE study on cooperative threat reduction activities in China.

## Title XIV – Other Authorizations

**Subtitle A – Military Programs.** The bill would authorize Fiscal Year 2011 funding as follows:

- \$161 million for the Defense Working Capital Funds and \$1.27 billion for the Defense Commissary Agency, which is equal to the President's request;
- \$934.9 million for the National Defense Sealift Fund, which is equal to the requested amount;
- \$30.96 billion for the Defense Health Program, which is \$22 million above the request;
- \$1.47 billion for chemical weapons demilitarization, which is equal to the President's request;

- \$1.15 billion for drug interdiction and counter-drug activities, which is \$22.5 million above the request; and
- \$317.2 million for the DoD Office of the Inspector General (IG), which is \$33.8 million above the requested amount, 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.

The bill does not include the \$10 million requested for the Defense Coalition Support Fund.

### Subtitle B – Chemical Demilitarization Matters.

**S. 3454** includes a provision that would consolidate, reorganize, and restate the chemical demilitarization program authorities as a single piece of legislation. The revised provision would be entirely consistent with U.S. obligations under the Chemical Weapons Convention.

#### Subtitle C – Other Matters.

**Joint Department of Defense-Department of Veterans Affairs Demonstration Fund.** The bill includes a provision that would authorize the transfer of \$132.2 million in funds to the Joint DOD-VA Medical Facility Demonstration Fund.

## Title XV – Overseas Contingency Operations

**Subtitle A** – **Authorization of Additional Appropriations.** This title authorizes \$156.38 billion for overseas contingency operations (OCO) for Fiscal Year 2011, which is \$1.7 billion below the President's request.

**Procurement.** The bill authorizes an additional \$24.5 billion for Fiscal Year 2011 for the procurement of items in support of overseas contingency operations as follows:

- \$8.84 billion for the Army, which is \$91.1 million below the request;
- \$3.4 billion for the Joint Improvised Explosive Device Defeat Fund (JIEDDF), equal to the President's overall request (the bill transfers the \$215.9 million requested in the base budget funding under Title I to the OCO account);
- \$3.3 billion for the Navy and Marine Corps, equal to the requested amount;
- \$4.6 billion for the Air Force, \$204.9 million below the President's request;
- \$874.5 million for Defense-wide activities, equal to the request; and
- \$3.4 billion for the Mine Resistant Ambush Protected Vehicle Fund, which is equal to the request.

**Research, Development, Test, and Evaluation (RDT&E).** The bill would authorize an additional \$660.3 million for Fiscal Year 2011 for research and development expenses related to overseas contingency operations, which is \$25.5 million above the requested amount.

**Operation and Maintenance.** The bill would authorize an additional \$113.56 billion for Fiscal Year 2011 operation and maintenance expenses related to overseas contingency operations, which is \$1.645 billion below the President's request.

**Military personnel.** The bill would authorize \$15.28 billion for Fiscal Year 2011 military personnel expenses of the active and reserve components, including mobilization costs for Reserve and National Guard forces related to overseas contingency operations, which is equal to the request.

**Other authorizations.** The legislation also includes the following authorizations for Fiscal Year 2011, related to overseas contingency operations, consistent with the requested amount, including:

- \$485.4 million for capital fund expenses of the DoD;
- \$1.4 billion for the Defense Health Program;
- \$457.1 million for DoD drug interdiction and counter-drug activities; and
- \$10.5 million for the DoD Office of Inspector General (IG).

#### Subtitle B – Financial Matters.

**Special transfer authority.** The bill includes a provision that would authorize the Secretary of Defense to transfer of up to \$4.0 billion of overseas contingency operations funding authorizations in this title among the accounts in this title.

#### Subtitle C – Other Matters.

**Detainee operations.** The bill would restrict the use of \$105 million in OCO Transfer Fund solely for detainee operations at the U.S. Naval Station, Guantanamo Bay Cuba. Consistent with this provision, the OCO Transfer Fund would be reduced by \$245 million, which had been requested for the costs associated with improvements and operations at a proposed military detention facility at Thomson, Illinois.

**Task Force for Business and Stability Operations in Afghanistan.** The bill includes a provision that would authorize up to \$150 million to fund projects of the DOD's Task Force on Business and Stability Operations in Afghanistan that support the counterinsurgency strategy through economic development and job creation. The provision would also require the Secretary of Defense, in consultation with the Secretary of State, to report to Congress on a comprehensive economic strategy for Afghanistan that promotes stabilization and sustainable institutions in Afghanistan.

**Report on Joint Improvised Explosive Device Defeat Organization.** The bill would require the Secretary of Defense to conduct a review of the management and oversight structure for JIEDDO due to committee concerns of a lack of thorough intra-department oversight and coordination on development and acquisition activities, and would instruct the Secretary to report to Senate and House Armed Services Committees on the review.

#### **BUDGET ITEMS**

**Joint Improvised Explosive Device Defeat Fund (JIEDDF).** The bill would provide full funding for JIEDDF, a total of \$3.4 billion, in the overseas contingency operations component of the budget request. It includes several transfers of funds between individual JIEDDF accounts in order to provide for more accurate accounting of JIEDDO's funding levels – and, specifically, its staff and infrastructure line of operation budget.

**Joint Strike Fighter (JSF) aircraft.** The bill includes the base budget request of \$9.1 billion for JSF procurement, but eliminates the one aircraft requested for the OCO account.

**Mine Resistant Ambush Protected (MRAP) Vehicle Fund.** The bill would provide full funding, a total of \$3.4 billion, for the MRAP fund, which funds the development, testing, production, and sustainment of the MRAP vehicles and new M-ATV. It also directs the Secretary of Defense for Acquisition, Technology, and Logistics to submit a report to Senate and House Armed Services Committees on DOD's plan to consolidate lessons-learned from the MRAP program.

**Commanders' Emergency Response Program (CERP).** The bill would authorize the Secretary of Defense to use up to \$900 million in Operation and Maintenance, Army, Overseas Contingency Operations, funding in Fiscal Year 2011 for CERP, including \$800 million for Afghanistan and \$100 million for Iraq. This amount is \$400 million below the President's request, based on concerns that CERP spending in Iraq should decline as we draw our forces down and that Afghanistan is not ready to absorb a significant increase in CERP funding.

**Iraq Security Forces Fund.** The bill includes \$1 billion for the Iraq Security Forces Fund, which is \$1 billion below the requested amount, in anticipation of the Government of Iraq assuming greater responsibility for the financial burden of building Iraqi security forces as U.S. forces draw down in Iraq.

## **DIVISION B – MILITARY CONSTRUCTION AUTHORIZATIONS**

The bill would provide full funding, at a total of \$20 billion, for military construction and family housing. Division B of this act would authorize \$18.73 billion in base budget funding for military construction, family housing projects, and the Base Realignment Closure Account (BRAC) for Fiscal Year 2011, which is \$12.4 million below the President's budget request. Division B would authorize an additional \$1.27 billion in OCO funding for military construction, which is \$11.4 million above the requested amount for the OCO budget.

## Title XXI – Army

The bill would authorize \$4.4 billion for the Department of the Army for Fiscal Year 2011 under this title, including \$3.8 billion for military construction, which is \$282 million below the request, and \$610 million for family housing, which is equal to the request.

## Title XXII – Navy

**S. 3454** would authorize \$4.26 billion for the Department of the Navy for Fiscal Year 2011 under this title, including \$3.7 billion for family housing, which is \$168.7 million below the requested amount, and \$552 million for family housing, which is equal to the request.

**Relocation of Marines from Okinawa to Guam.** While the committee supports plans the agreement to realign U.S. forces on the island of Okinawa to Guam by 2014, the bill would eliminate funding for three projects on Guam, totaling \$320 million, as this funding was requested ahead of need.

## Title XXIII – Air Force

The bill would authorize \$1.97 billion for the Department of the Air Force for Fiscal Year 2011 under this title, including \$1.38 billion for military construction, which is \$71.7 million above the President's request, \$591 million for military family housing, which is equal to the request.

## Title XXIV – Defense Agencies

**S. 3454** would provide \$3.2 billion for the defense agencies for Fiscal Year 2011 under this title, which is \$240 million below the request; \$124.9 million for chemical demilitarization, which is equal to the request; and \$50.5 million for family housing for defense agencies, \$16.5 million for the Homeowners Assistance Fund, and \$1.1 million for the Family Housing Improvement Fund, all equal to the President's request.

This title would:

- Add \$170 million to the Energy Conservation Improvement Program to fund competitively meritorious programs that have a savings-to-investment ratio of 1.25 or higher and a simple payback period of 10 years or less.
- Authorize \$68.5 million for the construction of an Aegis Ashore missile defense test facility at the Pacific Missile Range Facility in Hawaii. This facility will be critical to testing and demonstrating the capability of the Aegis Ashore and Standard Missile-3 missile defense system planned for deployment in Europe starting in 2015 as part of the Phased Adaptive Approach to missile defense in Europe.

## Title XXV – North Atlantic Treaty Organization Security Investment Program

The legislation would authorize \$258.88 million for the NATO Security Investment Program for Fiscal Year 2011, which is equal to the President's request.

## Title XXVI – Guard and Reserve Forces Facilities

**S. 3454** would authorize a total of \$1.7 billion, which is \$282 million above the President's request, for acquisition and construction of facilities for use by the National Guard and Reserve, including the following:

- \$963 million for the Army National Guard, which is \$89.4 million above the President's request;
- \$351.7 million for the Army Reserve, which is \$33.5 million above the request;
- \$61.6 million for the Naval and Marine Corps Reserve, which is equal to the request;

- \$336.1 million for the Air National Guard, which is \$159.1 million above the requested amount; and
- \$7.8 million for the Air Force Reserve, which is equal to the requested amount.

## Title XXVII – Base Closure and Realignment Activities

The bill would authorize full funding request to continue the implementation of the results of the Defense Base Closure and Realignment (BRAC) rounds, which includes \$360.5 million for BRAC IV and \$2.35 billion for BRAC 2005 for Fiscal Year 2011.

## Title XXVIII – Military Construction General Matters

**DOD Energy Security Activities.** The bill includes a provision that would direct the Secretary of Defense to develop a comprehensive master plan for improving the energy efficiency of DOD facilities, including specific consideration for rooftop solar and other energy-saving technologies in all new facilities and renovations.

## Title XXIX – Overseas Contingency Operations Military Construction Authorizations

**S. 3454** would authorize a total of \$1.27 billion for Fiscal Year 2011 military construction, land acquisition, and military family housing construction funding related to overseas contingency operations, including \$1.03 billion for the Army and \$193.8 million for the Air Force.

#### DIVISION C – DEPARTMENT OF ENERGY NATIONAL SECURITY AUTHORIZATIONS AND OTHER AUTHORIZATIONS

## Title XXXI – Department of Energy (DOE) National Security Programs

#### Subtitle A - National Security Programs Authorizations

This title would authorize a total of \$17.7 billion for atomic energy defense activities of DOE for Fiscal Year 2011, which is equal to the President's budget request, and 7.4 percent above the Fiscal Year 2010 regular appropriated level.

**National Nuclear Security Administration.** The bill would authorize \$11.2 billion for the National Nuclear Security Administration (NNSA), including the following:

• **Nonproliferation:** a total of \$2.7 billion for defense nuclear nonproliferation activities, which is equal to the budget request.

- **Weapons activities:** \$7.0 billion for weapons activities of the NNSA, which is \$6.2 million above President Obama's budget request.
- **Naval reactors:** \$1.1 billion in funds for Naval reactors, consistent with the President's request.
- **Office of Administration:** \$448.3 million for the Office of Administration, which is equal to the President's request.
- **Defense environmental cleanup:** \$5.6 billion for defense environmental cleanup, which is equal to the budget request.
- **Other defense activities:** \$878.2 million for other defense activities, which is equal to the budget request.
- **Energy supply:** no funding for energy supply, which is a reduction of \$6.2 million from the requested amount.

The bill would:

- Provide an additional \$30 million for the operation and maintenance of NNSA facilities.
- Include \$1.9 billion for directed stockpile work, which supports work directly related to
  weapons in the stockpile, including day-to-day maintenance as well as research,
  development, engineering, and certification activities to support life extension programs.
- Provide \$359.6 million for nonproliferation research and development, an increase of \$8 million above the request.
- Provide \$610.1 million for Megaports, an increase of \$20 million above the budget request.
- Provide \$1 billion for fissile materials disposition, a reduction of \$20 million below the budget request.

**Subtitle B - Program Authorizations, Restrictions, and Limitations.** The bill includes provisions that would:

- Require an annual assessment of the adequacy of the NNSA budget with respect to maintaining the nuclear weapons stockpile.
- Require an annual five-year budget plan for the DOE Environmental Management Program.
- Require the Secretary of Energy and the Secretary of NNSA to establish and track cost and schedule baselines for certain elements of the life extension program, construction projects, and major cleanup projects.

## Title XXXII – Defense Nuclear Facilities Safety Board

**S. 3454** would authorize \$33.6 million for the Board for Fiscal Year 2011, which is \$5 million above the President's budget request.

## **Legislative History**

On May 28, 2010, the Senate Armed Services Committee favorably reported **S. 3454**, the *National Defense Authorization Act for Fiscal Year 2011* (Senate Report <u>111-201</u>). The House of Representatives passed **H.R. 5136**, the *National Defense Authorization Act for Fiscal Year 2011*, on May 28, 2009 by a vote of 229-186.

On September 16, Majority Leader Reid moved to proceed to **S. 3454**, and filed cloture on the motion to proceed.

The Senate is expected to consider this bill beginning the week of September 20, 2010.

## **Previous Votes**

On July 23, 2009, the Senate passed **S. 1390**, the *National Defense Authorization Act for Fiscal Year 2010*, by a vote of 87-7. On October 8, 2009, the conference report for the bill was agreed to in the House by a vote of 281-146, and on October 22, 2009, the Senate agreed to the conference report by a vote of 68-29. The President signed the bill into law on October 26, 2009.

On September 17, 2009, the Senate passed **S. 3001**, the *Duncan Hunter National Defense Authorization Act for Fiscal Year 2009*, by a vote of 88 to 8. On September 24, 2008, the conference report for the bill was agreed to in the House by a vote of 392 to 39, and on September 27, 2008, the Senate agreed to the conference report by unanimous consent. The President signed the bill into law on October 14, 2008.

On January 1, 2008 the House of Representatives passed **H.R. 4986**, the *National Defense Authorization Act for Fiscal Year 2008*, by a vote of 369 to 46. On January 22, 2008, the Senate passed **H.R. 4986** by a vote of 91-3. The President signed the bill into law on January 28, 2008.

On October 1, 2007, the Senate passed **H.R. 1585**, the *National Defense Authorization Act for Fiscal Year 2008*, with an amendment by a vote of 92 to 3. On December 12, 2007, the conference report for the bill was agreed to in the House by a vote of 370 to 49 and on December 14, the conference report was agreed to in the Senate by a vote of 90 to 3. On December 28, 2007, the President vetoed the bill.

On June 6, 2006, the Senate passed **S. 2766**, the *John Warner National Defense Authorization Act for Fiscal Year 2007*, by a vote of 96 to 0. On September 29, 2006, the conference report for the substitute bill, **H.R. 5122**, was agreed to in the House by a vote of 398 to 23. On September 30, 2006, the Senate agreed to the conference report by unanimous consent. The President signed the bill into law on October 17, 2006.

## **Statement of Administration Policy**

On May 27, 2010, the Obama Administration issued a Statement of Administration Policy (SAP) for the House version of the bill, **H.R. 5136**, the *National Defense Authorization Act for Fiscal* 

*Year 2011,* which underlined "many areas of agreement" as well as "serious concerns" with certain provisions of the House-passed bill. This SAP can be accessed on the Office of Management and Budget's website:

(<u>http://www.whitehouse.gov/omb/assets/sap\_111/saphr5136h\_20100527.pdf</u>). At the time of publication, no SAP had been issued for the Senate version of the bill.

## **Possible Amendments**

The DPC will circulate information about possible amendments as it becomes available.