Legislative Bulletin......December 4, 2014

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H.R. 3979 – Emergency Unemployment Compensation Extension Act of 2014. (The Carl Levin and Howard P. "Buck" McKeon National Defense Authorization Act for Fiscal Year 2015)

H.R. 3979 – Emergency Unemployment Compensation Extension Act of 2014. (The Carl Levin and Howard P. "Buck" McKeon National Defense Authorization Act for Fiscal Year 2015) (Rep. Barletta, R-PA)

<u>Order of Business</u>: The bill is scheduled to be considered on December 4, 2014, subject to a rule.

Summary: The Senate Amendment to the text of H.R. 3979 (The Carl Levin and Howard P. 'Buck' McKeon National Defense Authorization Act for Fiscal Year 2015) (NDAA) authorizes \$521.3 billion in base discretionary spending for national defense, consistent with the levels for national defense in the House-passed fiscal year 2015 budget and the Republican Study Committee's Back to Basics Fiscal Year 2015 Budget. The NDAA authorizes an additional \$63.7 billion for Overseas Contingency Operations (OCO). OCO funding reflects the President's initial request for \$58.6 billion, belatedly made after the House had passed the NDAA, and his additional request of \$5.0 billion to primarily cover counter-Islamic State of Iraq and the Levant (ISIL) operations. OCO funding is \$15.7 billion below the \$79.4 billion authorized by the House. The FY15 NDAA is \$48.0 billion less than the enacted Fiscal Year 2014 NDAA (Public Law 113-66). The Fiscal Year 2015 NDAA would also authorize \$17.9 billion for the Department of Energy (DOE) Discretionary Base Budget. A Joint Explanatory Statement on the NDAA can be found here.

The Natural Resources Package is included on page 11.

Highlights of the major provisions of note are included below:

-Military Personnel Issues

➤ **Troop Pay and Allowances:** The NDAA supports current law, which upholds the President's authority to set the 2015 military pay increase at 1 percent. The bill upholds the President's request, endorsed by senior military leadership, for a pay freeze for

General and Flag Officers for fiscal year 2015 and includes a **Senate provision that removes a retirement incentive** for general officers that was added by Congress in 2006. The NDAA rejects the Pentagon's request for a 5 percent reduction in basic allowance for housing (BAH) and replaces it with a **1 percent decrease**. Consideration of any further changes is postponed until after the <u>Military Compensation and Retirement Modernization Commission</u> reports in February, 2015. The 1 percent decrease in BAH, as well as the provision removing a retirement incentive for general officers were in not included in the House-passed version (H.R. 4435) of the NDAA.

- ➤ TRICARE: Consistent with past NDAAs, the Fiscal Year 2015 NDAA would defer consideration of any further increases to military pharmaceutical co-pays until after the Military Compensation and Retirement Modernization Commission reports in February, 2015. The NDAA does authorize a limited, \$3 increase in select pharmacy co-pays (not included in the House-passed NDAA). No increase in mail-order generic pharmaceuticals is authorized. In the Fiscal Year 2013 NDAA, a commission on military compensation was established to find ways to reform the Department of Defense's compensation system and to report its findings back to Congress. Members on both sides of the aisle have been reluctant to make piecemeal reforms until the commission provides its report to the Committee.
- ➤ Combatting Sexual Assault in the Military: The Fiscal Year 2015 NDAA would eliminate the "good soldier defense," a consideration of general military character toward the probability of innocence in sexual assault prosecutions. According to the Joint Explanatory Statement, the House bill contained a provision (section 506) that would require service secretaries to ensure that the performance appraisal of commanding officers indicates the extent to which the commanding officer has or has not established a command climate in which all allegations of sexual assault are properly managed and fairly evaluated, and a victim of criminal activity, including sexual assault, can report the criminal activity without fear of retaliation, including ostracism and group pressure from other members of the command. The Senate committee-reported bill contained a similar provision (section 545(c)) that would also require that service secretaries ensure that performance appraisals of all servicemembers include an assessment of the extent to which the servicemember supports the sexual assault prevention and response program of that service.
- ➤ Commissaries: The Fiscal Year 2015 NDAA requires the Department of Defense to consult with outside experts in retail grocery sales to find efficiencies in the commissary system, while rejecting any cuts that would increase out of pocket costs for military families.
- ➤ **Purple Heart:** The NDAA provides authorization for awarding the Purple Heart to members of the armed forces killed or wounded in a domestic attack inspired by a foreign terrorist organization, like the attack at Fort Hood on November 5, 2009.
- ➤ **Religious Liberties:** In section 525 of the House-passed NDAA, certain protections to military chaplains were included that would authorize them, if called upon to lead a

prayer outside of a religious service, to close the prayer according to the traditions, expressions, and religious exercises of the endorsing faith group. This provision was not included in the agreed upon NDAA in its current form. However the House-passed NDAA required the Air Force to rewrite its regulations to comply with the new law. The House effort was successful and the Air Force released those new religious liberties regulations in November, 2014.

➤ Military Suicide: The Fiscal Year 2015 NDAA includes a transfer of \$14.8 million to the U.S. Special Operations Command (USSOCOM) Behavioral Health and Warrior Care Management Program for additional behavioral health programs and a transfer of \$4.0 million to the Defense Suicide Prevention Office to implement recommendations that result from a review of Department of Defense (DOD) efforts to prevent suicide among members of Special Operations Forces (SOF) and their families. The USSOCOM Psychological Performance Program will be fully funded at the \$7.2 million requested level.

-Military Readiness Issues

- Poperations and Maintenance: The Fiscal Year 2015 NDAA would address critical readiness gaps associated with depot maintenance, flying hour programs, and base operations support caused by sequestration and repeated resource cuts. These are achieved by diverting funds from lower priority items. The NDAA would streamline and enhance readiness reports delivered to the Armed Services Committees, including the Quarterly Readiness Report to Congress (QRRC). New reports will be focused on current missions and their impacts on potential future wartime missions, combat support functions like intelligence, logistics, and other vital skill sets that are in high demand. The NDAA also includes authorization for a pilot program that would increase the reutilization of excess equipment in Afghanistan by enabling the transport to key partners for use in other missions, such as those against ISIL. This year's NDAA would provide \$212 billion for operation and maintenance requirements to fund activities such as ship refueling and overhaul, depot maintenance, and facilities sustainment.
- ➤ **BRAC:** The bill prohibits the Department of Defense from proposing, planning, or initiating any additional Base Realignment and Closure (BRAC) rounds (<u>section 2701</u>). However, the bill does require the Department to report on several BRAC related topics, including a report on excess capacity, a report on the property disposal process, and assessment of each prior BRAC round (<u>section 2721</u>).
- ➤ Cyber Security: The NDAA directs the President to maintain a list of nation-states or individuals that engage in economic or industrial espionage using cyber tools, and allows the President to impose sanctions on such individuals or nation-states. It also directs the Secretary of Defense to designate an executive agency for cyber test ranges, and another for cyber training ranges, in order to better coordinate and resource these important ranges. It would also require the development of a Major Force Program for cyber operations to better account for the budgeting and resourcing of cyber operations capabilities. The NDAA would also require mandatory reporting on penetrations of

- operationally critical contractor networks, as well as development and implementation of operational metrics for the performance of the Joint Information Environment.
- ➤ **Defense Intelligence:** The NDAA includes several provisions to strengthen the Defense Intelligence enterprise and operational capabilities, including: a comprehensive review and assessment of intelligence activities and programs of United States Special Operations Command (<u>section 1611 of the House-passed NDAA</u>) and special operations forces to ensure proper resourcing, authorities, and emphases; and directing an annual briefing on Combatant Commander intelligence, surveillance, and reconnaissance (ISR) requirements, and a strategy to address those requirements, to ensure proper capabilities and resourcing in future years.
- ➤ National Guard: The bill would commission the Government Accountability Office (GAO) to study the appropriate balance between the Active force and the Guard. National Guard end strength reductions, as well as the re-distribution of certain Guard aviation assets are prohibited for fiscal year 2015. However the Committee has indicated that unless funding levels change, Active and Guard force structure will both be impacted greatly in fiscal year 2016. The NDAA includes a provision that would establish a National Commission on the Future of the Army and prevent the transfer of any National Guard Apache helicopters in fiscal year 2015. The provision also clarifies the limitations on the authority of the Secretary of Defense and the Secretary of the Army with respect to the potential transfer of up to 48 AH-64 Apache attack helicopters in fiscal year 2016 from the Army National Guard (ARNG) to the regular Army pending certification from the Secretary of Defense.
- ➤ Aerospace Control Alert: The NDAA includes an additional \$1.25 billion to address the modernization shortfalls for dual-use National Guard and Reserve Component equipment, designed to address issues related to the Aerospace Control Alert mission.
- ➤ **Biofuels:** The NDAA prohibits funds to be used for large-scale purchases of biofuels, unless they are cost competitive. The NDAA also requires the Department of Defense to provide a business case analysis to Congress before constructing a biofuel refinery.

-Procurement:

- ➤ Ship Procurement and Retention: The Fiscal Year 2015 NDAA funds the refueling complex overhaul (RCOH) of the U.S.S. *George Washington* (CVN-73), an aircraft carrier with 25 years of useful life left, and provides incremental funding (\$800.0 million) for a new *San Antonio* Class Amphibious Ship (LPD-28). The bill would also limit fiscal year 2015 funding for the procurement of additional mission modules for the Littoral Combat Ship until the Secretary of the Navy submits milestone B program goals for cost, schedule, and performance for each mission module increment (section 122 of the conferenced NDAA). The NDAA also requires the modernization of two *Ticonderoga* class cruisers, while prohibiting the "lay up" of half the cruiser fleet.
- ➤ Weapon Systems: The fiscal year 2015 NDAA would:

- Purchase limited numbers of the EA-18G Growler;
- Prohibit the retirement of any A-10 aircraft in fiscal year 2015, while allowing the Secretary of Defense to place up to 36 aircraft into a back-up inventory status subject to a review by the Department of Defense Cost Assessment and Program Evaluation directorate and a certification by the Secretary of Defense. GAO is also tasked to review the A-10 program;
- Prohibit the divestment or retirement of any E-3 AWACS (Airborne Warning and Control System);
- Fund the procurement of additional MQ-9 Reapers;
- Prohibit the retirement of the U-2; and
- Prohibit the retirement KC-10 aircrafts until a period of 60 days has elapsed following the date on which the Secretary of Defense submits to the congressional defense committees an assessment of the costs and benefits of the proposed divestment or transfer.

The NDAA also makes investments in certain additional defense programs, including Abrams tank upgrades, the Hercules and Stryker vehicles, tactical wheeled vehicles, and the Grey Eagle program with the goal of preserving the integrity of the industrial base. This year's NDAA would also prohibit the cancellation of the C-130 Avionics Modernization Program (AMP) and would require the GAO to submit a report on the F-35 acquisition program which would include information on cost, schedule, and performance goals.

-Defense Policy and Strategic Issues:

Department of Defense Reform:

- Institutional Reform: The NDAA restores the Office of Net Assessment (ONA) to its independent status, with the Office reporting directly to the Secretary of Defense. The NDAA increases the ONA budget for fiscal year 2015 by \$10 million to \$18.9 million. The Secretary of Defense is directed to report on the feasibility of reducing or consolidating combatant command functions by fiscal year 2020 and a plan to implement a periodic review and analysis of management headquarters. The NDAA would also task GAO to assess DOD's headquarter reduction efforts, building off its previous work conducted for the committee on examining growth in DOD headquarters.
- Acquisition Reform: The NDAA directs the Under Secretary for Acquisition, Technology, and Logistics, and the senior acquisition executives for the Navy and the Air Force, to issue policies to the Defense agencies and the military services implementing a standard checklist to be completed before the issuance of a solicitation for any new contract for services or exercising an option under an existing contract for servicing. The NDAA also requires that the Comptroller General of the United States submit a report on Defense agencies' and military services' implementation of such a checklist by January 30, 2016. The NDAA also includes a requirement for the Comptroller General to conduct a review of cases in which the

program office believes that the Director of Operational Test and Evaluation has required testing above the required test plan.

- **Security Reform:** The NDAA directs the Secretary of Defense to provide the defense committees with frequent reports on DOD's damage assessment resulting from unauthorized disclosures and steps the Department is taking to mitigate the damage.
- Strategy Reform: This year's Quadrennial Defense Review (QDR) was deemed unsatisfactory by the House Armed Services Committee as it focused largely on the near-term and assumed increased risk to the force. The NDAA includes a provision designed to overhaul the QDR. A new Defense Strategy Review will require tradeoff analyses between missions, risks, and resources to better inform decisions on the longer-term direction of the United States' national security infrastructure. The NDAA also reshapes the role of the independent National Defense Panel.
- ➤ Afghanistan: The NDAA expresses Congress' support for the stability and sovereignty of Afghanistan. The NDAA also states that Afghanistan remains a top priority of the United States and that the United States should help Afghanistan ensure that its territory is not used by al-Qaeda, the Haqqani Network, or other violent extremist groups to launch attacks against the United States or its interests; and that the post-2014 mission to train, advise, and assist the Afghan National Security Forces (ANSF) and conduct counterterrorism operations is a key step to maintaining the significant gains achieved in Afghanistan. The NDAA expresses that any drawdown of post-2014 U.S. forces should be considered in relation to the security conditions on the ground at the time of the drawdown and the recommendation of senior U.S. military commanders.

The NDAA establishes a report on post-2014 Afghanistan. It also extends the Commander's Emergency Response Program (CERP) in Afghanistan, requires a plan for monitoring DOD funded construction activities in Afghanistan post-2014, and requires a report on the financial management capacity of the Afghan ministries of Defense and Interior. The bill requires the Secretary of Defense to submit an ANSF sustainment plan through the end of fiscal year 2018.

- ➤ Supplemental Overseas Contingency Operations (OCO) Request: In a supplemental request, the Obama administration identified \$5.0 billion needed to continue operations against the Islamic State of Iraq (ISIL): \$3.4 billion for sustaining U.S. operations associated with Operation Inherent Resolve and \$1.618 billion to train and equip Iraqi and Peshmerga security forces. The NDAA authorizes the \$3.4 billion request for sustaining U.S. personnel forward-deployed to the Middle East, providing enablers such as intelligence, surveillance, and reconnaissance platforms, replenishing munitions expended while conducting airstrikes against ISIL, and financing operations and maintenance costs for air, ground, and naval operations to date.
 - Iraq Train and Equip: The NDAA authorizes the President's \$1.6 billion request to train and equip Iraqi security forces to re-build the capability and capacity of Iraqi partners in the region so they can sustain the long-term fight to

defeat ISIL and provide security and stability to the Iraqi people, so that large numbers of U.S. combat forces are not required. This authorization is not provided under the 2002 Iraq Authorization for the Use of Military Force (AUMF) and subsequent Iraq training authorities have expired or been repealed. The NDAA authorizes this funding for a two-year program with robust oversight and notification requirements. The provision authorizes significant support for the Peshmerga, Sunni tribes, and other forces beyond the traditional Iraqi Security Forces. Under the provision, the Iraqi government must share 40% of train and equip costs. No AUMF is included in the Fiscal Year 2015 NDAA.

- Syria Train and Equip: The NDAA extends the McKeon amendment from the Continuing Resolution (CR) to train and equip moderate Syrian forces to combat ISIL. The NDAA adopts some clarifying language requested by DOD to facilitate execution of the mission. Reprograming authority is provided, but the NDAA does not authorize any new funds for this mission, and would require subsequent approval by the national security committees. The RSC's legislative bulletin on the McKeon amendment can be found here.
- ➤ Counter Terrorism Partnerships Fund (CTPF): The NDAA authorizes \$1.3 billion for a 2 year program to build partner anti-terrorism capacity in the Middle East and Africa, except for Iraq (which is funded elsewhere in the OCO request), and to allow U.S. forces to provide enabling support to foreign partners undertaking counterterrorism activities. The NDAA requires DOD to execute these funds using existing authorities and strengthens congressional oversight of the fund through a detailed spend plan and reprogramming requirements.
- ➤ Special Operations Combating Terrorism Authority: The NDAA authorizes and extends a critical special operations counterterrorism authority (1208 authority) which permits special operations forces to work with indigenous or surrogate forces in support of ongoing U.S. operations. The authority is utilized throughout the Middle East and Africa, and the NDAA would extend the authority through 2017 and raise the authorized amount from \$50 million to \$75 million. The NDAA also provides the Commander of United States Special Operations Command with enhanced rapid acquisition authority.
- ➤ Guantanamo Bay: The NDAA maintains prohibitions associated with the Guantanamo Bay Detention Facility, including the bi-partisan prohibitions on the transfer of detainees to the United States and on the construction of terrorist detention facilities in the United States.
- ➤ **Defeating al Qaeda:** The NDAA requires a report on the national security planning guidance to continue to deny safe havens to al Qaeda, and an independent assessment of al Qaeda, its affiliates, associated groups, and adherents.
- ➤ Human Rights Vetting and Training: The NDAA codifies within Title 10, a longstanding policy within the Department of Defense that prohibits providing assistance to a foreign security force that has committed a gross violation of human rights, and also

establishes a new authority permitting the Secretary of Defense, with the concurrence of the Secretary of State, to conduct human rights training with foreign partners. These two provisions combined ensure that our engagement with foreign partners and related assistance programs are positioned to further enhance U.S. national security interests and human rights.

- ➤ Middle East: The NDAA expresses congressional belief that the U.S. should maintain a robust and enduring forward presence and posture to support U.S. allies and partners in the Arabian Gulf region, to include basing that enables U.S. operations in Afghanistan, Iraq, and Syria, and to deter Iran.
 - **Israel:** The NDAA invests in vital systems like Iron Dome, including reaffirming the requirement for U.S. based co-production, and provides significant resources above the President's request for other Israeli Cooperative Missile Defense programs.
 - Iran: The bill also requires a report on the interim agreement related to the Islamic Republic of Iran's nuclear program, including a verification of whether Iran is complying with such agreement and an assessment of the overall state of Iran's nuclear program.
- Africa: The bill requires a report on the "new normal" and general mission requirements for United States Africa Command (AFRICOM) and the Marine Security Guard program, as well as a report on the readiness implications of the Army's Regionally Aligned Brigade concept in Africa.
- Asia Rebalance: The House Armed Services Committee conducted a series of oversight hearings led by Seapower Subcommittee Chairman Forbes (R-VA) and Rep. Hanabusa (D-HI) on the Asia-Pacific rebalance. The House-passed version of the NDAA (H.R. 4435) required the Secretary of Defense, in coordination with the Secretary of State and the heads of other federal departments and agencies, to develop a strategy to prioritize United States interests in the U.S. Pacific Command's area of responsibility. The conferenced version of the NDAA included this provision, but narrowed the scope of the strategy to defense issues and removed the implementation plan requirement. The bill does include the requirement for a Department of Defense study on Taiwan's defense capabilities, an independent assessment on countering anti-access area denial capabilities, and a sense of Congress on the importance of our security relationships with Japan and the Republic of Korea.
- ➤ Europe and Russia: The NDAA prohibits U.S. military cooperation with the Russian military until the Secretary of Defense certifies the Russian military is no longer illegally occupying Crimea and is abiding by the terms of the Minsk Protocol regarding the ceasefire in eastern Ukraine. The National Nuclear Security Administration (NNSA) is barred from transferring military grade technology with Russia.

The NDAA requires the Secretary of Defense to provide a report to Congress on a strategy and plans to enhance security and stability in Europe, including reassuring NATO members of U.S. commitments to collective self-defense and enhancing U.S. security cooperation with NATO partner nations. The NDAA expresses the Sense of Congress that lethal and nonlethal assistance should be provided to Ukraine and requires the Secretary of Defense to submit a report on such assistance that has been requested by and provided to Ukraine. The NDAA increases the budget for the DOD's Warsaw Initiative Fund/Partnership for Peace (WIF/PfP) program from \$24.4 million to \$34.4 million to enable U.S. European Command, through military exercises and defense reform efforts, to build the capacity of PfP militaries in order to promote regional stability and to deter Russian aggression.

The NDAA authorizes \$1 billion for the European Reassurance Initiative, including \$75 million for programs, activities, and assistance to support Ukraine. The bill also includes language in the Strategic Forces subcommittee Mark that will safeguard U.S. national security from Russian Federation proposals to misuse the Treaty on Open Skies in ways that create substantial risk for the American people and their allies in Europe. The NDAA supports the effective, efficient, and expedient transition from the use of Russian rocket engines to a domestic alternative for national security space launches. It authorizes \$220 million for the development of a U.S. next-generation propulsion system by 2019, as well as includes a prohibition on the Secretary of Defense for buying launch services using Russian rocket engines other than those already under contract as of February 1, 2014.

➤ Nuclear Enterprise: The NDAA requires all 450 intercontinental ballistic missile silos to stay in "warm" status until at least the end of the New START treaty. This requirement will facilitate silo maintenance, ease deployment of a follow-on missile, complicate adversary targeting, and is a low-cost means of improving national security. The NDAA continues previous efforts to right-size the federal workforce at the National Nuclear Security Administration (NNSA) and streamline bureaucracy. The bill includes language that lowers the statutory cap on federal employees at NNSA by more than 7% to a total of 1,690 positions.

➤ Authorizations for End Strengths as of September 30, 2015:

- Active Duty Personnel: 490,000 (Army), 323,600 (Navy), 184,100 (Marine Corps), **312,980** (Air Force). These levels represent a decrease of 51,340 servicemembers from the previous year's authorization.
- Reserves on Active Duty: 350,200 (Army National Guard), 202,000 (Army Reserve), 57,300 (Navy Reserve), 39,200 (Marine Corps Reserve), 105,000 (Air National Guard), 67,100 (Air Force Reserve). These levels represent a decrease of 12,900 servicemembers from the previous year's authorization.
- *Military Technicians*: 27,210 (Army National Guard), 7,895 (Army Reserve), 21,792 (Air National Guard), 9,789 (Air Force Reserve). These levels represent a decrease of 1,223 from the previous year's authorization.

These figures are identical to the end strength number is the House-passed version of the NDAA (H.R. 4435) except for the number of Air Force active duty personnel which increased by 1,760 personnel.

Table II: Savings Achieved and Resources Added provided by the House Armed Services Committee Fact Sheet

| ABLE II: Savings Achieved And Resources Restore | d Or Added |
|--|---|
| Savings Achieved | Resources Added |
| Counterterrorism Partnership Fund Early to Need - \$2,700 million | National Guard and Reserve Component Equipment - \$1,250 million |
| Jnobligated Balance Program - \$1,657.9 million | LPD 28 - \$800 million |
| Civilian Personnel Under Execution - \$500.7 million | CVN - 73 Refuel - \$795.1 million |
| /arious unjustified program growth - \$472 million | Depot Maintenance - \$666.2 million |
| OOE Uranium Enrichment Fund - \$443 million | EA-18G - \$450 million (5 aircraft) |
| /arious early to need/schedule delays - \$303.8 million | Israeli Cooperative Missile Defense - \$348.8 million |
| Foreign Currency Exchange Account - \$225.7 million | A-10 - \$331.1 million |
| Varfighter Information Network- Tactical - \$125 million | Rocket Propulsion System - \$220 million |
| mplementation of rejected benefit reforms - \$114.7 million | CPI-1 Adjustment - \$215.3 million |
| Center for Cyber Studies Building - \$90.1 million | Capital Improvement Program - \$179.5 million |
| Office of Economic Adjustment - \$80.6 million | Fissile materials disposition - \$145 million |
| loint Urgent Operational Needs Fund - \$70 million | Abrams Tank Upgrades - \$120 million |
| Medical Center Replacement at Rhine Ordnance Barracks - 370 million | Facilities Sustainment - \$103.7 million |
| loint Tactical Radio System - \$50 million | MQ-9 Reapers - \$103.2 million |
| Counterfire Radars - \$50 million | ARNG UH-60 Modernization - \$103 million (6 aircraft) |
| C-5M - \$50 million | Medium and Heavy Tactical Vehicles - \$100 million |
| loint IED Defeat Organization - \$49.6 million | Commissaries - \$100 million |
| CMWS - \$47 million | Ballistic Missile Defense - \$99 million |
| MC-12 - \$40.5 million | Military Health System Modernization - \$92 million |
| RQ-4 Milestone C Delay - \$35 million | C-130 Program - \$88.4 million |
| Small Diameter Bomb Milestone C Delay - \$30 million | Tomahawk Missiles - \$82 million (96 missiles) |
| ndirect Fire Protection Cap - \$25 million | Body Armor - \$80 million |
| NNSA Administrative Salaries and Expenses - \$24 million | Basic Research programs - \$80 million |
| 32 Research and Development - \$20 million | Hercules Vehicle - \$75.9 million |
| Precision Guided Kits - \$20 million | AWACS - \$59.5 million |
| JPALS - \$13 million | SOF Flying Hours and Training - \$56.4 million |
| Aerostat Joint Project Office - \$12.5 million | Stryker Vehicle - \$50 million |
| nternational Material Protection & Cooperation - \$10.8 million | Global Threat Reduction Initiative - \$50 million |
| Marine Corps Museum - \$9.1 million | 1 |
| warme Corps wuseum - \$9.1 million | Grey Eagle Program - \$49 million |

Table II continued

| Resources Added |
|--|
| Bradley Fighting Vehicle - \$37 million |
| Crisis Response Operations - \$33.8 million |
| Defense Nuclear Non-Proliferation - \$32.6 million |
| Impact Aid - \$30 million |
| AGOR Ships - \$20 million |
| Ejection Seat Improvements - \$6 million |
| |

-Natural Resources Package:

➤ Title 30 of the NDAA contained a package of natural resources provisions related to federal land, including Land Conveyances, Public Lands and National Forest System Management, National Park System Units, National Park System Studies and Management, Wilderness and Withdrawals, Wild and Scenic Rivers, Trust Lands, Water Infrastructure, and Miscellaneous Access and Property Issues. According to the House Committee on Natural Resources, all of the bills included in this package have undergone public review in the House or Senate, and the majority have already passed the House or Senate. Only six of the provisions were included in the House-passed NDAA, while two were included in the Senate Armed Services Committee produced bill (Senate Amendment 3902; Senate Amendment 3393).

Some conservatives may be concerned that sixteen of the provisions have not had their corresponding bill be passed on the Senate or the House floors.

Eight of the provisions have had their corresponding bills passed by unanimous consent on the Senate floor only. The rest of the provisions have had their corresponding bills passed by the House under a rule or under suspension.

The package would:

- Designate approximately 245,000 acres of wilderness.
- Provide for over 110,000 acres of land to be conveyed out of federal ownership to be utilized for economic development (including mineral production, timber production, infrastructure projects) and community development (local cemetery, shooting range);
- Release 26,000 acres of current wilderness study areas to multiple use; and
- Protect private property owners in land designations by ensuring that no private property can be condemned.

- Facilitate new oil and natural gas production on federal lands by reducing permit
 delays, providing regulatory certainty to American job creators, preventing the
 Obama Administration from increasing costs, and extending a successful pilot
 program that helps the Bureau of Land Management deal with a backlog of
 drilling permit applications;
- Facilitate several proposed mineral development projects;
- Reduce grazing permit backlogs and add certainty to America's ranching community;
- Update fee structures to provide predictable, fair rates so families are not forced to tear down cabins they own in national forests;
- Expand America's National Parks by providing new means of enhancing private funding (through donor recognition and the issuance of a commemorative coin to recognize the 100th anniversary of the National Park Service in 2016) and by designating a select number of new park units that have strong local support.

A complete list of Natural Resources Related Provisions in Title 30 of the NDAA which indicate the corresponding previously introduced bill can be found <u>here</u>. Highlights and concerns over the major provisions of note are included below:

The following provisions in Title 30 have had their related bills passed under rule in the House.

- ➤ Section 3003 directs the exchange of land between the Secretary of Agriculture and Resolution Copper Company to facilitate the production of mineral resources in southeast Arizona, incorporating H.R. 687 introduced on February 14, 2013. The provision establishes the Apache Leap special management area to preserve and protect cultural, archeological and historical resources. The RSC's legislative bulletin on H.R. 687 can be found here.
- ➤ Section 3022 authorizes the Interior Department to hold live internet auctions for onshore oil and gas lease sales, incorporating H.R. 555, introduced on February 6, 2013. The CBO estimate for H.R. 555 can be found here. This provision was also included in section 4402 of the RSC's JOBS Act, Title XIII of H.R. 4304 (Rep. Scalise, R-LA), that is cosponsored by 53 RSC Members. More information about the RSC JOBS Act can be found here.
- ➤ Section 3023 amends the Federal Land Policy and Management Act to modify authorities for grazing on public land administered by the Bureau of Land Management and the Forest Service, incorporating H.R. 657, H.R. 2954, and S. 258. Their corresponding CBO estimates can be found here, and here, and here.

The following provisions in Title 30 have had their related bills passed by suspension in the House.

- Section 3051 authorizes the Secretary of the Interior to undertake special resource studies to determine the suitability and feasibility for potential addition to the National Park System for the following sites: Lower Mississippi River, Louisiana; Rota, Commonwealth of Northern Mariana Islands; Prison Ship Monument, New York; Flushing Remonstrance, New York; West Hunter Street Baptist Church, Georgia; Mill Springs Battlefield, Kentucky; and New Philadelphia, Illinois; as well as for the historic role of the Buffalo Soldiers in the National Park System generally. This provision incorporates S. 311, H.R. 520, H.R. 674, H.R. 1501, H.R. 3222, H.R. 4119, H.R. 298/S.2780, and H.R. 930/S. 1328. The CBO estimates can be found here for S. 311, H.R. 520, H.R. 674, H.R. 1501, H.R. 4119, H.R. 298, and H.R. 930.
- ➤ Section 3056 establishes a commission to study the potential creation of a National Women's History Museum which incorporates H.R. 863 which passed the House by 383 33. Heritage Action has expressed grave concern over attaching non-defense related measures and the contents of the National Women's History Museum. Concerned Women for America has also expressed concern. The RSC's legislative bulletin on H.R. 863 can be found here.

The following provisions in Title 30 have had their related bills passed by unanimous consent on the Senate floor.

- ➤ Section 3010 authorizes the conveyance of 19 acres of federal land to a private land owner in San Juan County, New Mexico to remove a cloud on title, incorporating <u>H.R.</u> 1260 and S. 609. The CBO estimate for S. 609 can be found here.
- ➤ Section 3021 extends the Federal Permit Streamlining Project, an existing program designed to improve the processing of permits by the Bureau of Land Management (BLM), sets the oil and gas permit processing fee at a flat rate for ten years, and adjusts the interest rate paid on oil and gas royalty overpayments, incorporating S. 2440 introduced in the Senate on June 5, 2014.
- ➤ Section 3035 provides for the establishment of the Harriet Tubman Underground Railroad National Historical Park in Maryland, incorporating <u>H.R. 513</u> and <u>S. 247</u>. The CBO estimate for S. 247 can be found <u>here</u>.
- Section 3036 provides for the establishment of the Harriet Tubman National Historical Park in Auburn, New York, incorporating <u>H.R. 664</u> and <u>S. 247</u>.
- ➤ Section 3041 provides for the addition of approximately 4,070 acres of lands to the Oregon Caves National Monument to be designated as the Oregon Caves National Preserve and designates river segments for addition to the National Wild and Scenic Rivers System, incorporating H.R. 2489 and S. 354. The CBO estimate for S. 354 can be found here.

- ➤ Section 3060 designates approximately 22,173 acres of National Forest lands in the State of Washington as an addition to the Alpine Lakes Wilderness and approximately 34 miles of the Middle Fork Snoqualmie and Pratt Rivers as additions to the National Wild and Scenic Rivers System, incorporating H.R. 361 introduced on January 23, 2013. The Senate version of that bill (S. 112) passed the Senate by unanimous consent on June 19, 2013. The Congressional Budget Office (CBO) estimate for S. 112 can be found here.
- ➤ Section 3071 designates approximately 14.3 miles of Illabot Creek in the State of Washington for addition to the National Wild and Scenic Rivers System, incorporating H.R. 829 and S. 383. The CBO estimates for H.R. 829 and for S. 383 can be found here and here.
- ➤ Section 3073 designates approximately 9 miles for addition to the White Clay Creek Wild and Scenic River in Delaware, incorporating <u>H.R. 869</u> and <u>S. 393</u>. The CBO estimate for S. 393 can be found here.

The following provisions in Title 30 have not had their related bills passed on the floor by either the House or Senate.

- ➤ Section 3008 authorizes a land exchange between the U.S. Geological Survey and School District 318 in Minnesota, incorporating <u>H.R. 4220</u> (and its identical Senate version <u>S. 2123</u>) introduced on March 12, 2014.
- ➤ Section 3031 establishes the Blackstone River Valley National Historical Park in Rhode Island and Massachusetts, incorporating <u>H.R. 706</u>, introduced on February 14, 2013 and its related Senate introduced bill <u>S. 371</u>.
- ➤ Section 3032 provides for the establishment of the Coltsville National Historical Park in Hartford, Connecticut, incorporating H.R. 1259 introduced on March 19, 2013, and its identical Senate introduced bill S. 615. The CBO estimate for H.R. 1259 can be found here.
- > Section 3033 redesignates the First State National Monument in Delaware as the First State National Historical Park and authorizes additional sites for inclusion in the park, incorporating H.R. 703 and its identical Senate introduced bill S. 347.
- ➤ Section 3043 establishes the Valles Caldera National Preserve in New Mexico as a unit of the National Park System, incorporating <u>S. 285</u>, introduced on February 12, 2013. The CBO estimate for S. 285 can be found here.
- ➤ **Section 3044** expands the boundaries of the Vicksburg National Military Park in Mississippi, incorporating <u>H.R. 2271</u>, introduced on June 5, 2013 and its related Senate introduced bill S. 305. The CBO estimate for S. 305 can be found here.
- > Section 3052 extends the authorization for several existing national heritage areas through 2021, including John H. Chafee Blackstone River Valley National Heritage

- Corridor, the Last Green Valley National Heritage Corridor, the Automobile National Heritage Area, and the MotorCities National Heritage area, incorporating <u>S. 2602</u>, introduced in the Senate on July 15, 2014.
- ➤ Section 3053 authorizes the Secretary of the Interior to make improvements to certain support facilities, including visitor centers at national historic sites meeting the specified criteria, incorporating <u>H.R. 1561</u> introduced on April 15, 2013, and its related Senate introduced bill S. 1071.
- ➤ Section 3061 designates 45,000 acres of National Forest lands in New Mexico as the Columbine-Hondo Wilderness, modifies the boundary of the Wheeler Peak Wilderness, and provides for the conveyance of several small parcels of Federal land to local communities, incorporating <u>H.R. 1683</u> introduced on April 23, 2013. The Senate version of the bill (<u>S. 776</u>) was introduced on April 22, 2013.
- ➤ Section 3062 designates approximately 70,650 acres of land in the San Juan National Forest in Colorado as the Hermosa Creek Special Management Area, designates approximately 37,236 acres of National Forest lands as the Hermosa Creek Wilderness, and establishes the 461-acre Molas Pass Recreation Area incorporating H.R. 1839, introduced on May 6, 2013, and its related Senate introduced bill, S. 841.
- Section 3065 establishes the 208,160-acre Rocky Mountain Front Conservation Management Area in Montana on Federal lands administered by the Forest Service and Bureau of Land Management, and adds 50,401 acres of National Forest lands to the Bob Marshall Wilderness and 16,711 acres of National Forest lands to the Scapegoat Wilderness, releases 15,088 acres of Wilderness Study Areas (WSAs), and requires a study of oil and gas potential on two additional WSAs, incorporating <u>S. 364</u> introduced in the Senate on February 14, 2013. The CBO estimate for S. 364 can be found here.
- ➤ Section 3077 directs the Secretary of the Interior to take approximately 932 acres of land in Montana into trust for the Northern Cheyenne Tribe and authorizes conveyance to the Tribe of mineral interests underlying the land on the Northern Cheyenne Reservation in exchange for mineral interests underlying Federal land outside of the reservation, incorporating H.R. 4350, introduced on April 1, 2014 and its related Senate introduced bill, S. 2442. The CBO estimate for H.R 4350 can be found here.
- ➤ Section 3088 exempts Federal land within the Sabine National Forest and Indian Mounds Wilderness Area in Texas occupied by the Toledo Bend Hydroelectric Project from the Forest Service's authority to impose licensing conditions on the Project's hydroelectric license under section 4(e) of the Federal Power Act, and from the Federal Energy Regulatory Commission's authority to collect annual charges and power site reservation fees for the Project's use of the Federal lands under sections 10(e)(1) and 24 of the Federal Power Act, incorporating H.R. 3411 and its related Senate introduced bill, S. 1484.
- ➤ Section 3092 establishes the 22,650-acre Tule Springs National Monument in Las Vegas, Nevada and authorizes conveyances of specified public land in southern Nevada to local

governments and other public entities for public purposes, incorporating <u>H.R. 2015</u> and its identical Senate introduced bill, <u>S. 974</u>. The CBO estimate for S. 974 can be found here.

- ➤ Section 3095 directs the Secretary of Commerce to refinance the fishing capacity reduction program for the West Coast groundfish fishery incorporating H.R. 2646, introduced on July 10, 2013.
- > Section 3096 dedicates \$70 million in savings from this Title to the payment in lieu of taxes program as a down payment for fiscal year 2015 funding.

A fact sheet and provision summary from the House Committee on Natural Resources can be found <u>here</u> and <u>here</u>. A fact sheet on Natural Resources Tribal Provisions in Title 30 of NDAA can be found <u>here</u>.

The <u>U.S. Chamber of Commerce</u> has issued a letter in support of the package, as well as the <u>Congressional Western Caucus</u>, the <u>American Petroleum Institute</u>, the American Exploration and Production Council, America's Natural Gas Alliance, the Independent Petroleum Association of America, the National Association of Manufacturers, the National Mining Association, the United States Oil and Gas Association, and the Western Energy Alliance.

<u>Concerned Women for America</u>, Heritage Action for America, Eagle Forum, Competitive Enterprise Institute, and American Commitment Action Fund, Center for Private Conservation, and March for Life Action have expressed concern over adding the lands deal package to the NDAA.

<u>Additional Information</u>: The National Defense Authorization Act has been signed into law for fifty-two consecutive years. The RSC's Legislative Bulletin for the House-passed version of the NDAA (H.R. 4435) can be found <u>here</u>. A fact sheet from the House Armed Services Committee can be found <u>here</u>.

Committee Action: The House Armed Services Committee approved the NDAA on May 8, 2014 by a vote of 61-0. The NDAA in its current form is substantially based on two bills (1) H.R. 4435, the National Defense Authorization Act which passed the House on May 22, 2014 by a vote of 325-98, and (2) S. 2410 a product of the Senate Armed Services Committee which passed the committee on May 22, 2014 as well by a vote of 25-1. The original version of H.R. 3979 was introduced on January 31, 2014 and was referred to the House Committee on Ways and Means.

Administration Position: No Statement of Administration Policy is available.

<u>Cost to Taxpayers:</u> The Congressional Budget Office (CBO) estimate for the House-passed NDAA (H.R. 4435) can be found <u>here</u>. The CBO estimate for the Senate Armed Services Committee produced version of the NDAA (S. 2410) can be found <u>here</u>. No CBO estimate is available for H.R. 3979 as amended.

<u>Does the Bill Expand the Size and Scope of the Federal Government?</u>: Yes. Some of the provisions would result in an increase in the amount of acreage owned by the Federal Government, which is arguably an increase in the size of the Federal Government. However, this legislation would allow the private sector to operate on lands formally held by the Federal Government, this is arguably a decrease in the size and scope of the Federal Government.

<u>Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector</u> Mandates?: No CBO estimate is available for H.R. 3979 as amended.

<u>Constitutional Authority</u>: Congress has the power to enact this legislation pursuant to the following: Article I, Section 8, Clauses 1 and 18 of the United States Constitution.

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