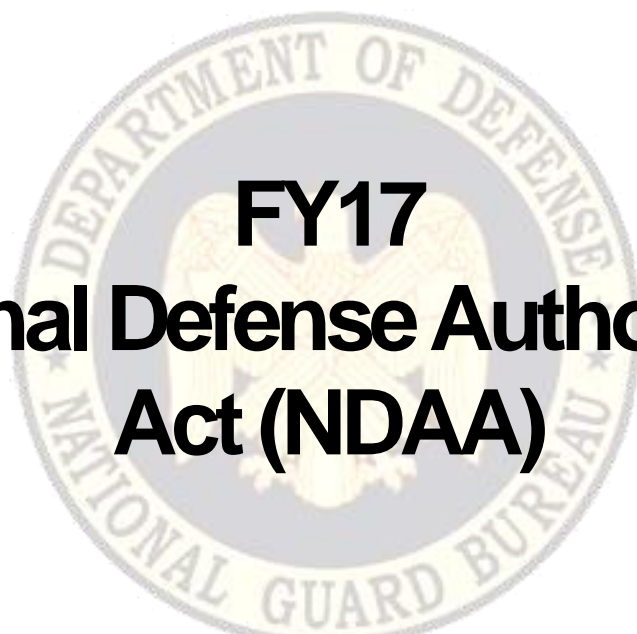




FY17 National Defense Authorization Act (NDAA)



*Summary of S.2943
The National Defense Authorization Act for Fiscal Year 2017*



As of 2 December 2016

Status of FY17 NDAA Bills

	Passed in Committee	Passed in Chamber	Agreement	Final Passage	Signed into Law
House	28 April 2016 <input checked="" type="checkbox"/>	18 May 2016 <input checked="" type="checkbox"/>	30 November 2016 <input checked="" type="checkbox"/>	2 December 2016 <input checked="" type="checkbox"/>	
Senate	12 May 2016 <input checked="" type="checkbox"/>	14 June 2016 <input checked="" type="checkbox"/>			

<http://www.nationalguard.mil/Leadership/JointStaff/PersonalStaff/LegislativeLiaison.aspx>

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Executive Summary

This guide provides a short summary of the Conferenced Fiscal Year 2017 National Defense Authorization Act (NDAA).

To obtain a complete understanding of any particular provision, users are encouraged to review the actual legislative language. Beyond the legislative provision, there are a number of directive reports with specific relevance to the National Guard. Readers are encouraged to review report language (starting on page 18) for situational awareness.

Status:

On November 30th 2016 House and Senate Armed Services Committee conferees released their conference agreement on the FY17 National Defense Authorization Act. The compromised version of the NDAA includes \$618.7 billion in authorized defense spending, of which \$523.7 billion is for base defense activities and \$67.8 billion for the war-related Overseas Contingency Operations account (\$8.3 billion is for base budget programs). The FY17 NDAA authorizes \$3.2 billion more than the President's budget request.

National Guard Highlights:

- Provides a 2.1 percent pay raise for military personnel *[section 601]*
- Increases Army National Guard end strength by 8,000 to 343,000, paid for out of OCO increases *[section 411]*
- Requires the Secretary of Defense to review and approve the curriculum and program structure of each of the National Guard counterdrug schools *[section 1012]*
- The bill delays the conversion of some military technicians to Title 5 civilians until October 1, 2017 *[section 1084]*
- The bill directs the Secretary of Defense, in consultation with the Chief of the National Guard Bureau, to submit to the Committees on Armed Services of the Senate and the House of Representatives by March 1, 2017, a report on the feasibility and advisability of converting remaining military technicians (dual status) to personnel performing active Guard and reserve duty under section 328 of title 32, United States Code, or other applicable provision of law *[section 1084]*
- The bill authorizes the Chief of the National Guard Bureau to program for, appoint, employ, administer, detail, and assign federal civilian employees to provide fulltime support to the non-federalized National Guard *[section 932]*
- The bill also authorizes the Chief of the National Guard Bureau the authority to delegate to the adjutants general the authority to appoint, employ, and administer federal civilian employees within the 54 states and territories with authority to conduct all personnel actions for employees. *[section 932]*
- The bill amends language regarding the NORTHCOM deputy commander to allow any reserve component officer to be considered, not just National Guard officers. The language also applies to PACOM. *[section 516]*
- The bill reduces the number of general and flag officers by 110 on active duty *[section 501]*
- Eliminates the statutory requirement of 0-9 rank for the Vice Chief of the National Guard Bureau and the Directors of the Army and Air National Guard *[section 502]*

National Guard Accounts Overview

RECOMMENDED FUNDING AUTHORIZATIONS DO NOT EQUAL FINAL FUNDING. FINAL FUNDING LEVELS WILL BE DECIDED BY APPROPRIATIONS BILLS



Army National Guard - Authorization of Funding (All Dollars in Thousands)

Army National Guard	FY17 PB Request	HASC Mark	Delta from PB	SASC Mark	Delta from PB	Conference Report	FY17 Delta from PB
O&M	\$6,825,370	\$6,799,094	-\$26,276	\$6,988,970	+\$163,600	\$6,853,005	+\$27,635
OCO for Base O&M	\$60,128	\$382,828	+\$322,700	-	-\$60,128	\$188,928	+\$128,928
OCO O&M	\$66,907	\$47,515	-\$19,392	\$127,035	-	\$66,907	-
MILCON	\$232,930	\$300,430	+\$67,500	\$232,930	-	\$300,430	+\$67,500

Army National Guard End Strength

Army National Guard	FY17 PB Request	HASC Mark	Delta from PB	SASC Mark	Delta from PB	Conference Report	FY17 Delta from PB
End Strength	335,000	350,000	+15,000	335,000	-	343,000	+8,000
AGR	30,155	30,155	-	30,155	-	30,155	-
Dual Status Technicians	25,507	25,507	-	25,507	-	25,507	-
Non-Dual Status Technicians	1,600	1,600	-	1,600	-	1,600	-
ADOS	17,000	17,000	-	17,000	-	17,000	-



Air National Guard - Authorization of Funding (All Dollars in Thousands)

Air National Guard	FY17 PB Request	HASC Mark	Delta from PB	SASC Mark	Delta from PB	Conference Report	FY17 Delta from PB
O&M	\$6,703,578	\$6,588,402	-\$115,176	\$6,760,778	+\$57,200	\$6,634,178	-\$69,400
OCO for Base O&M	-	\$348,900	+\$348,900	-	-	\$4,300	+\$4,300
OCO O&M	\$20,000	\$12,120	-\$7,880	\$20,000	-	\$20,000	-
MILCON	\$143,957	\$166,957	+\$23,000	\$143,957	-	\$154,957	+\$11,000

Air National Guard End Strength

Air National Guard	FY17 PB Request	HASC Mark	Delta from PB	SASC Mark	Delta from PB	Conference Report	FY17 Delta from PB
End Strength	105,700	105,700	-	105,700	-	105,700	-
AGR	14,764	14,764	-	14,764	-	14,764	-
Dual Status Technicians	22,104	22,104	-	22,104	-	22,103	-1
Non-Dual Status Technicians	350	350	-	350	-	350	-
ADOS	16,000	16,000	-	16,000	-	16,000	-

BILL TEXT:

MILITARY PROCUREMENT AUTHORIZATIONS

Multiyear procurement authority for AH-64E Apache helicopters (sec. 111)

This provision would authorize the Secretary of the Army to enter into a multiyear contract for AH-64E Apache helicopters for fiscal years 2017 through 2021.

Multiyear procurement authority for UH-60M and HH-60M Black Hawk helicopters (sec. 112)

This provision would authorize the Secretary of the Army to enter into one or more multiyear contracts for UH-60M and HH-60M Black Hawk helicopters beginning in fiscal year 2017, in accordance with section 2306b of title 10, United States Code.

Distributed Common Ground System-Army increment 1 (sec. 113)

This provision would require the Secretary of the Army to improve and tailor training for units equipped with the Distributed Common Ground System- Army Increment 1. The provision would also require the Secretary of the Army to rapidly identify and field a commercially available capability that meets tactical requirements, can integrate at the tactical unit level, is substantially easier for personnel to use, and requires less. The provision would allow the Secretary of Defense to waive limitations if any adversely affect ongoing operational activities.

Assessment of certain capabilities of the Department of the Army (sec. 114)

This provision would require the Secretary of Defense, in consultation with the Secretary of the Army and the Chief of Staff of the Army, to provide an assessment to the congressional defense committees by April 1, 2017, of the ways, and associated costs, to reduce or eliminate shortfalls in responsiveness and additional capabilities.

EC-130H Compass Call recapitalization program (sec. 131)

This section would prohibit the availability of funds for the Air Force EC-130H Compass Call recapitalization program unless the Air Force conducts a full and open competition to acquire the replacement aircraft platform. The provision authorizes the Secretary of the Air Force to obligate and expend fiscal year 2017 funds for the purpose of re-hosting the primary mission equipment of the current EC-130H Compass Call aircraft fleet on to a more operationally effective and survivable airborne platform to meet combatant commander requirements. The amendment limits procurement to the first two aircraft of the planned ten aircraft fleet until the Secretary determines there is a high likelihood the program will meet the requirements of the combatant commands.

Prohibition on availability of funds for retirement of A-10 aircraft (sec. 134)

This provision would explicitly prevents the divestment of any A-10 aircraft if the special rule were to be invoked. The Comptroller General of the United States shall assess the conclusions and assertions contained in the Secretary's and Chief of Staff's report on the F-35A IOT&E, and submit a report to the congressional defense committees of such assessment not later than 90 days after the Secretary's and Chief of Staff's report is submitted.

Limitation on availability of funds for destruction of A-10 aircraft in storage status (sec. 135)

This provision would prohibit the availability of funds authorized to be appropriated by this Act or otherwise made available for the Air Force to be obligated for the purpose of scrapping, destroying, or otherwise disposing of any A-10 aircraft in any storage status in the Aerospace Maintenance and Regeneration Group (AMARG) that have serviceable wings or other components that could be used to prevent total active inventory A-10 aircraft from being permanently removed from flyable status due to unserviceable wings or other components. The provision does not prevent the Air Force from reclaiming any usable parts or components on A-10 aircraft in any storage status for the purpose of keeping active inventory A-10 aircraft in flyable and mission capable condition.

Prohibition on availability of funds for retirement of Joint Surveillance Target Attack Radar System aircraft (sec. 136)

This provision that would prohibit the availability of funds for retirement of Joint Surveillance Target Attack Radar System aircraft in fiscal year 2018.

Elimination of annual report on aircraft inventory (sec. 137)

This provision would strike the requirement in Section 231a of title 10, United States Code, for the Secretary of Defense to deliver an annual report on the military services' aircraft inventory to the congressional defense committees.

Report on alternative management structures for the F-35 joint strike fighter program (sec. 146)

This provision that would disestablish the F-35 Joint Program Office (JPO) and devolve relevant responsibilities to the Air Force and the Navy. The provision would remove the requirement to disestablish the JPO and require the Secretary of Defense, no later than March 31, 2017, to submit to the congressional defense committees a report on potential options for the future management of the Joint Strike Fighter program.

Study and report on optimal mix of aircraft capabilities for the Armed Forces (sec. 149)

This provision would direct the Secretary of Defense to conduct a study on the future mix of aircraft platforms for the Armed Forces.

Limitation on availability of funds for Joint Surveillance Target Attack Radar System (JSTARS) Recapitalization Program (sec. 223)

This provision would limit the availability of fiscal year 2017 and beyond funds for the Joint Surveillance Target Attack Radar System recapitalization program unless the contract for engineering and manufacturing development uses a firm fixed price contract structure. The provision provides the Secretary of Defense with authority to waive the limitation in the provision if the Secretary determines the waiver is in the national security interests of the United States, and includes other minor technical corrections. The conferees note that to ensure the integrity of the full and open competition nature of this program, they caution the Air Force to guard against the potential prejudicing of this source selection by other Air Force recapitalization programs.

Acquisition program baseline and annual reports on follow-on modernization program for F-35 Joint Strike Fighter (sec. 224)

This provision would require the Secretary of Defense, not later than March 31, 2017, to submit to the congressional defense committees a report that contains the basic elements of an acquisition program baseline for Block 4 modernization.

Revision of deployability rating system and planning reform (sec. 321)

This provision amends Chapter 1003 of title 10, United States Code, requiring the Secretary of the Army to maintain a system for identifying the priority of deployment for units of all components of the Army.

Modifications to Quarterly Readiness Report to Congress (sec. 331)

This provision would amend subsection (a) of section 482 of title 10, United States Code, modifying the Department of Defense's requirements for the Quarterly Readiness Report to Congress.

Report on average travel costs of members of the reserve components (sec. 332)

This provision would require the Comptroller General of the United State to submit a report to the congressional defense committees on the travel expenses of members of the reserve components performing certain service, to include the average annual cost for all travel expenses for a member of a reserve component.

Report on HH-60G sustainment and Combat Rescue Helicopter program (sec. 333)

This provision would require the Secretary of Defense to report to the congressional defense committees a plan to modernize, train, and maintain the HH-60 fleet.

MILITARY PERSONNEL AUTHORIZATIONS

Plan for improved dedicated adversary air training enterprise of the Air Force (sec. 350)

This provision would direct the Chief of Staff of the Air Force to submit to the Committees on Armed Services of the Senate and the House of Representatives, not later than March 3, 2017, a resource ready and executable plan and briefing for developing and emplacing a modernized dedicated adversary air training enterprise to support the full spectrum air combat readiness of the United States Air Force.

Independent review and assessment of the Ready Aircrew Program of the Air Force (sec. 351)

This provision would direct the Secretary of the Air Force to commission an independent review and assessment of the assumptions underlying the Air Force's annual continuation training requirements, and the efficacy of the overall Ready Aircrew Program in the management of the Air Force's aircrew training requirements.

End strengths for Selected Reserve (sec. 411)

This provision would authorize the following end strengths for Selected Reserve personnel of the Armed Forces as of September 30, 2017: the Army National Guard, 343,000 and the Air National Guard of the United States, 105,700

End strengths for Reserves on active duty in support of the Reserves (sec. 412)

This provision would authorize the following end strengths for Reserves on Active Duty in support of the reserve components as of September 30, 2017: the Army National Guard of the United States, 30,155 and the Air National Guard of the United States, 14,764

End strengths for military technicians (dual status) (sec. 413)

This provision would authorize the following end strengths for military technicians (dual status) as of September 30, 2017: the Army National Guard of the United States, 25,507 and the Air National Guard of the United States, 22,103

Fiscal year 2017 limitation on number of non-dual status technicians (sec. 414)

This provision would authorize the following personnel limits for the reserve components of the Army and Air Force for non-dual status technicians as of September 30, 2017: the Army National Guard of the United States, 1,600; the Air National Guard of the United States, 350

Maximum number of reserve personnel authorized to be on active duty for operational support (sec. 415)

Reduction in number of general and flag officers on active duty and authorized end strength after December 31, 2022, of such general and flag officers (sec. 501)

This section would require the Secretary of Defense to reduce the number of general and flag officers on active duty by 110 from the aggregate authorized number of general and flag officers authorized by sections 525 and 526 of title 10, United States Code, as of December 31, 2015.

Repeal of statutory specification of general or flag officer grade for various positions in the Armed Forces (sec. 502)

This provision would amend or repeal various statutory specifications in title 10, United States Code, to remove the requirement that an officer serving must hold a specified general or flag officer grade for certain positions in the Armed Forces, to include National Guard GOL billets and eliminates the statutory requirement of 0-9 rank for the Vice Chief of the National Guard Bureau and the Directors of the Army and Air National Guard.

Promotion eligibility period for officers whose confirmation of appointment is delayed due to non availability to the Senate of probative information under control of non-Department of Defense agencies (sec. 504)

This provision would amend section 629(c) of title 10, United States Code, to provide that the period for promotion eligibility of an officer would not expire during the period when the Senate is unable to obtain information necessary to give its advice and consent to the appointment concerned because the information is under control of a department or agency of the Federal Government other than the Department of Defense.

Continuation of certain officers on active duty without regard to requirement for retirement for years of service (sec. 505)

This provision would amend chapter 36 of title 10, United States Code, to authorize service secretaries to allow officers in a grade above O-4 who are serving in military occupational specialties designated by the secretary to remain on Active Duty for up to 40 years of active service.

Extension of force management authorities allowing enhanced flexibility for officer personnel management (sec. 508)

This section would: (a) amend section 4403(i) of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484) to extend Temporary Early Retirement Authority through December 31, 2025; (b) amend section 638a(a)(2) of title 10, United States Code, to extend through December 31, 2025 authority for service secretaries to manage authorized officer personnel strength by shortening the period of continuation of service by officers on Active Duty, to authorize involuntary early retirement for certain officers on Active Duty, and to consider officers for involuntary discharge who are not eligible for retirement; (c) amend section 1175a(k)(1) of title 10, United States Code to extend through December 31, 2025 authority to provide voluntary separation pay and benefits; and (d) amend section 1370(a)(2)(F) of title 10, United States Code to extend through fiscal year 2025, authority for early retirement of up to 4 percent of the authorized Active-Duty strength of officers in the grades of O-5 and O-6 without reduction in grade, in each fiscal year.

Pilot programs on direct commissions to cyber positions (sec.509)

This section would require the Secretaries of the Army and the Air Force to carry out a pilot program to improve the ability of the Army and Air Force to recruit cyber professionals. It authorizes the secretaries of the military departments to conduct pilot programs to recruit and confer original appointments to qualified individuals as commissioned officers in a cyber specialty. Pilot programs established under this provision may commence on or after January 1, 2017, and shall terminate no later than December 31, 2022.

Length of joint duty assignments (sec. 510)

This provision would amend section 664 of title 10, United States Code, to modify the qualifying period for joint duty assignments from 3 years to not less than 2 years. The proposal would repeal the average tour length requirement and repeal the authority for shorter tour lengths for officers initially assigned to critical occupational specialties.

Revision of definitions used for joint officer management (sec. 510A)

This provision would amend section 668 of title 10, United States Code, to update the definitions of joint matters and joint duty assignment for the purpose of joint officer management. The provision would also repeal the definition of critical occupational specialty.

RESERVE MANAGEMENT PROVISIONS

Authority for temporary waiver of limitation on term of service of Vice Chief of the National Guard Bureau (sec. 511)

This section would amend section 10505(a)(4) of title 10, United States Code, to authorize the Secretary of Defense to extend the term of office of the Vice Chief of the National Guard Bureau for up to 90 days to

provide for the orderly transition of officers appointed to the positions of the Chief and the Vice Chief of the National Guard Bureau.

Rights and protections available to military technicians (sec. 512)

This provision would amend section 709 of title 32, United States Code, to clarify the employment rights and protections of military technicians. This provision would clarify that military technicians, under certain conditions, may appeal adverse employment actions to the Merit Systems Protection Board and Equal Employment Opportunity Commission.

Inapplicability of certain laws to National Guard technicians performing Active Guard and Reserve duty (sec. 513)

This section would amend section 709 of title 32, United States Code, to clarify that the provision that grants military leave to individuals appointed to the civil service does not apply to members of the Active Guard and Reserve, just as it does not apply to members on Active Duty.

Extension of removal of restrictions on the transfer of officers between the active and inactive National Guard (sec. 514)

This provision would extend through December 31, 2019, the temporary authority for the Secretary of the Army and Secretary of the Air Force to transfer officers of the Army and Air National Guard from the Selected Reserve to the inactive National Guard and from the inactive National Guard to the Selected reserve.

Extension of temporary authority to use Air Force reserve component personnel to provide training and instruction regarding pilot training (sec. 515)

This provision would amend section 514(a)(1) of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114-92) to extend for 1 year the current temporary authority for the Air Force to allow no more than 50 Active Guard and Reserve (AGR) personnel and dual status military technicians to instruct and train Active Duty and members of foreign military forces in the United States, the Commonwealth of Puerto Rico, or possessions of the United States as a primary duty. The conferees expect the Air Force to devise a solution to this issue that does not include amending the underlying statutory authorities for AGRs and technicians. The conferees urge the Air Force to consider solutions as part of the ongoing duty status review.

Expansion of eligibility for deputy commander of combatant command having United States among geographic area of responsibility to include officers of the Reserves (sec. 516)

This provision would amend section 164 of title 10, United States Code, to require that at least one deputy commander of the combatant command of the geographic area of responsibility which includes the United States be a member of a reserve component of the Armed Forces, unless a reserve component officer is serving as commander of that combatant command.

Technical correction to voluntary separation pay and benefits (sec. 526)

This provision would amend section 1175a of title 10, United States Code, by updating the references to section 502(f) of title 32, United States Code, and the list of involuntary mobilization authorities.

Consolidation of Army marketing and pilot program on consolidated Army recruiting (sec. 527)

This section would require the Secretary of the Army to consolidate within the Army Marketing Research Group all functions relating to the marketing of the Army and each of the components of the Army in order to assure unity of effort and cost effectiveness in the marketing of the Army and each of the components of the Army. The provision would require the Secretary of the Army to establish a pilot program to consolidate the recruiting efforts of the Regular Army, Army Reserve, and Army National Guard under which a recruiter in one of the components participating in the pilot program may recruit individuals to enlist in any of the components regardless of the funding source of the recruiting activity.

MILITARY JUSTICE AND LEGAL MATTERS

Inclusion in annual reports on sexual assault prevention and response efforts of the Armed Forces of information on complaints of retaliation in connection with reports of sexual assault in the Armed Forces (sec. 543)

This provision would amend section 1631(b) of the Ike Skelton National Defense Authorization Act for Fiscal Year 2011 (10 U.S.C. 1561 note) to require the annual report on sexual assault and response efforts to include information on complaints of retaliation in connection with reports of sexual assault in the Armed Forces.

Modification of definition of sexual harassment for purposes of investigations by commanding officers of complaints of harassment (sec. 548)

This provision would amend section 1561(i) of title 10, United States Code, to modify the definition of sexual harassment. The committee is concerned that the existing definition of sexual harassment has caused the military services to consider sexual harassment as a violation of equal opportunity policy instead of an adverse behavior that data have demonstrated is on the spectrum of behavior that can contribute to an increase in the incidence of sexual assault.

National Commission on Military, National, and Public Service (Sec. 553)

This provision would establish the National Commission on Military, National, and Public Service as an independent commission. This section would prescribe the manner and timing in which the Commission would be appointed, its composition, pay rates for members and staff.

Preliminary report on purpose and utility of registration system under Military Selective Service Act (sec. 552)

This provision requires the Secretary of Defense to submit, not later than July 1, 2017, a report to the Committees on Armed Services of the Senate and the House of Representatives, on the current and future need for a centralized registration system under the Military Selective Service Act, chapter 49 of title 50, United States Code, and provide a briefing on the results of the report not later than July 1, 2017. The report must also be provided to the National Commission on Military, National, and Public Service created under this Act.

Extension of suicide prevention and resilience program (sec.565)

This provision would amend section 10219(g) of title 10, United States Code, to extend the authority for suicide prevention and resilience programs for the National Guard and Reserves until October 1, 2018.

Report on feasibility of electronic tracking of operational active-duty service performed by members of the Ready Reserve of the Armed Forces (sec. 594)

This provision would require the Secretary to assess the feasibility of such an electronic tracking system, and to provide a report to the Committees on Armed Services of the Senate and House of Representatives by no later than May 1, 2017.

Report on career progression tracks of the Armed Forces for women in combat arms units (sec. 597)

This provision would require the Secretary of Defense to submit a description of the career progression track for entry level and laterally moved female service members, both officer and enlisted, of each Armed Force for positions that have been opened as a result of the December 3, 2015, decision by the Secretary to open all previously closed military occupations to women.

COMPENSATION, PERSONNEL BENEFITS AND RETIREMENT

Fiscal year 2017 increase in military basic pay (sec. 601)

This provision would direct that the rates of basic pay under section 203(a) of title 37, United States Code, be increased in accordance with section 1009 of title 37, United States Code, notwithstanding a determination made by the President under subsection (e) of such section 1009.

Publication by Department of Defense of actual rates of basic pay payable to members of the Armed Forces by pay grade for annual or other pay periods (sec. 602)

This provision would direct the Department of Defense to ensure that pay tables of basic pay for members of the uniformed services published by the Department reflect the operation of the pay cap contained in section 203(a)(2) of title 37, United States Code, to more accurately reflect the rates of basic pay that may actually be received by service members whose basic pay is affected by that cap.

Extension of authority to provide temporary increase in rates of basic allowance for housing under certain circumstances (sec.603)

This provision would extend for 1 year the authority of the Secretary of Defense to temporarily increase the rate of basic allowance for housing in areas impacted by natural disasters or experiencing a sudden influx of personnel.

Reports on a new single-salary pay system for members of the Armed Forces (sec. 604)

This provision would require the Department of Defense to report back with revised pay tables and a plan to transition to a salary system by no later than January 1, 2018. An initial assessment and progress report will be due to the Committees on Armed Services of the Senate and the House of Representatives no later than March 1, 2017, to contain the military pay tables as of January 1, 2017, that reflect the Regular Military Compensation of members of the Armed Forces as of that date in the range of grades, dependency statuses, and assignment locations. The conferees note that the BAH, as an entitlement, and the perception of BAH among

One-year extension of certain bonus and special pay authorities for reserve forces (sec. 611)

This provision would extend for 1 year the authority to pay the Selected Reserve reenlistment bonus, the Selected Reserve affiliation or enlistment bonus, special pay for enlisted members assigned to certain high-priority units, the Ready Reserve enlistment bonus for persons without prior service, the Ready Reserve enlistment and reenlistment bonus for persons with prior service, the Selected Reserve enlistment and reenlistment bonus for persons with prior service, travel expenses for certain inactive-duty training, and income replacement for reserve component members experiencing extended and frequent mobilization for Active-Duty service.

One-year extension of authorities relating to title 37 consolidated special pay, incentive pay, and bonus authorities (Sec. 614)

This provision would extend for 1 year the general bonus authority for enlisted members, the general bonus authority for officers, special bonus and incentive pay authorities for nuclear officers, special aviation incentive pay and bonus authorities for officers, and special bonus and incentive pay authorities for officers in health professions, and contracting bonus for cadets and midshipmen enrolled in the Senior Officers' Training Corps. This section would also extend for 1 year the authority to pay hazardous duty pay, assignment or special duty pay, skill incentive pay or proficiency bonus, and retention incentives for members qualified in critical military skills or assigned to high priority units.

One-year extension of authorities relating to payment of other title 37 bonuses and special pays (Sec. 615)

This section would extend for 1 year the authority to pay the aviation officer retention bonus, assignment incentive pay, the reenlistment bonus for active members, the enlistment bonus, pre-commissioning incentive pay for foreign language proficiency, the accession bonus for new officers in critical skills, the incentive bonus for conversion to military occupational specialty to ease personnel shortage, the incentive bonus for transfer between Armed Forces, and the accession bonus for officer candidates.

Maximum reimbursement amount for travel expenses of members of the Reserves attending inactive duty training outside of normal commuting distances (sec. 621)

This provision would amend section 478a(c) of title 37, United States Code, to allow for a higher reimbursement amount on a case-by-case basis for certain members of the Reserve component traveling to attend inactive duty training outside of normal commuting distances.

Election period for members in the service academies and inactive Reserves to participate in the modernized retirement system (sec. 631)

This section would amend section 1409 of title 10, United States Code, to clarify the timing for cadets and midshipmen at the service academies to opt-in to the new military retirement system enacted in the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114-92). The provision would also clarify the timing of such elections for reservists who are on Inactive Duty during the election period otherwise provided for under the new retirement system.

Effect of separation of members from the uniformed services on participation in the Thrift Savings Plan (sec. 632)

This provision would repeal paragraph (2) of section 632(c) of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114-92). This amendment makes a technical correction for the new military retirement plan enacted in that Act relative to defining separation from service under the Thrift Savings Plan.

Continuation pay for full Thrift Savings Plan members who have completed 8 to 12 years of service (sec. 633)

This provision would amend section 356 of title 37, United States Code, to modify the continuation pay for members under the new military retirement system enacted in the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114-92) to provide the Secretary of Defense with the flexibility to offer continuation pay in the window between 8 and 12 years of service in exchange for a 3 years of service or greater commitment as the Secretary deems appropriate for retention.

Combat-related special compensation coordinating amendment (Sec. 634)

This provision would amend section 1413a of title 10, United States Code, to make a technical and conforming amendment to Combat-Related Special Compensation, to bring that authority in line with the new military retirement system enacted in the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114-92).

Equal benefits under Survivor Benefit Plan for survivors of reserve component members who die in the line of duty during inactive-duty training (sec. 642)

This provision would amend section 1451(c)(1)(A) of title 10, United States Code, to eliminate the different treatment under the Survivor Benefit Plan accorded members of the reserve component who die from an injury or illness incurred or aggravated in the line of duty during inactive-duty training, as compared to the treatment of members of the Armed Forces who die in the line of duty while on Active Duty.

Recovery of amounts owed to the United States by members of the uniformed services (sec. 671)

This provision would amend section 1408 of title 10, United States Code, to modify the division of military retired pay in a divorce decree to the amount the member would be entitled based upon the member's pay grade and years of service at the time of the divorce rather than at the time of retirement with the spousal share of the retired pay computed on the retired pay as adjusted by the annual increases in military pay. The provision would direct the Secretary of Defense to conduct a review of all bonus pays, special pays, student loan repayments, and similar special payments paid to members of the California National Guard between January 1, 2004 and December 31, 2015. The review is required to be completed by July 30, 2017. The provision requires a board of review designated by the Secretary of Defense to determine whether the special pay to these members and former members was unwarranted and, if so, to recommend to the Secretary concerned whether to recoup the payment, waive the recoupment, or in the case of recoupments that were previously collected but were unwarranted by the evidence, to recommend whether the payments should be repaid to the member or former member. The provision would authorize the Secretary concerned to waive collection of overpayments or to repay previously recouped payments that were unwarranted. The provision would require the Secretary concerned to notify consumer credit reporting agencies if the review determines that an indebtedness previously reported to the credit reporting agency was invalid. The funding for activities associated with the review, including repayments to members and former members, shall be paid from amounts available for the National Guard of the United States for the State of California. The provision

requires the Secretary of Defense to submit a report on the results of the review to the Committees on Armed Services of the Senate and of the House of Representatives not later than August 1, 2017. The provision also requires the Comptroller General of the United States to report, not later than one year after the date of enactment of this Act, on the actions of the National Guard of the State of California related to the bonus pays, special pays, student loan repayments, and other special pays from 2004 through 2015.

Modification of flat rate per diem requirement for personnel on long-term temporary duty assignments (sec. 672)

This provision would require the Secretary of Defense to take such action as may be necessary to provide that, to the extent that regulations implementing travel and transportation authorities for military and civilian personnel of the Department of Defense impose a flat rate per diem for meals and incidental expenses for authorized travelers on long term temporary duty (TDY) assignments that is at a reduced rate compared to the per diem rate otherwise applicable, the Service Secretary concerned may waive the applicability of such reduced rate and pay such travelers actual expenses up to the full per diem rate for such travel in any case when the Secretary concerned determines that the reduced flat rate per diem for meals and incidental expenses is not sufficient under the circumstances of the TDY assignment.

TRICARE Select and other TRICARE Reform (sec. 701)

This provision would establish TRICARE Preferred as the self-managed, preferred provider option that would replace TRICARE Standard and Extra. This section would also establish annual enrollment fees and fixed dollar copayments for Active Duty family members and retirees who join the Armed Services on or after January 1, 2018 and enroll in TRICARE Preferred or in TRICARE Prime, the managed-care option. The provision would: 1) rename the TRICARE Preferred health plan option to TRICARE Select; 2) modify the tables prescribing enrollment fees, deductibles, catastrophic caps, and co-payments for beneficiaries in the retired category who join the military on or after January 1, 2018, and to establish a calendar year enrollment period for those fees; 3) require the Secretary to establish an open enrollment period, with a grace period during the first year of open enrollment, and to allow enrollment for qualifying events for annual participation in either TRICARE Prime or TRICARE Select; 4) prescribe certain requirements for pre-authorization for referrals under TRICARE Prime; and 5) require a pilot program on incorporation of value-based health care methodology in the purchased care component of the TRICARE program.

Extended TRICARE program coverage for certain members of the National Guard and dependents during certain disaster response duty (sec. 711)

This provision would amend chapter 55 of title 10, United States Code, to extend TRICARE program coverage for certain members of the National Guard and dependents performing certain disaster response duty if the period immediately follows a period of full-time National Guard duty. Under this provision, a member would not receive extended TRICARE program coverage if a governor of a state or the mayor of the District of Columbia (DC) determines that such coverage is not in the best interest of the member, state, or DC. This provision would authorize the Secretary of Defense to charge a state or DC for the costs of providing extended TRICARE program coverage to members of the National Guard and their dependents. The provision would provide discretionary authority to extend TRICARE program coverage for certain members of the National Guard and dependents performing certain disaster response duty if the period immediately follows a period of full-time National Guard duty. Additionally, the amendment would require the Secretary of Defense to charge a state or DC for the costs of providing extended TRICARE program coverage to members of the National Guard and their dependents if such coverage is extended.

Continuity of health care coverage for reserve components (sec. 712)

This provision would require the Director to submit to the Secretary of Defense, on an annual basis during each year the pilot program may be conducted, information on the use of health care benefits under the pilot program. The provision would also require the Secretary to submit an initial and a final report on the pilot program to the Committees on Armed Services of the Senate and the House of Representatives. Finally, the provision would clarify the elements required in the study of options for providing health care coverage that improves the continuity of health care provided to certain current and former members of the Selected Reserve.

Assessment of transition to TRICARE program by families of members of reserve components called to Active Duty and elimination of certain charges for such families (sec. 748)

This provision would require the Secretary of Defense, within 180 days of enactment of this Act, to complete an assessment of the extent to which families of members of the reserve components of the Armed Forces serving on Active Duty, pursuant to a call to or order to Active Duty for a period of more than 30 days, experience difficulties in transitioning from health care arrangements relied upon when the member is not in such an Active-Duty status to health benefits under the TRICARE program. Within 180 days after completing the assessment, the Secretary shall submit a report detailing the results of the assessment to the Committees on Armed Services of the Senate and the House of Representatives. This provision would also amend section 1079(h)(4)(C)(ii) of title 10, United States Code, to expand the authority of the Secretary to eliminate balance billing for families of members of the reserve components of the Armed Forces serving on Active Duty.

GOLDWATER NICHOLS REFORMS

Organization of the Office of the Secretary of Defense (sec. 901)

This provision would amend section 133 of title 10, United States Code, to establish the position of the Under Secretary of Defense for Research and Engineering, amend section 138 of title 10, United States Code, to establish and consolidate certain Assistant Secretary of Defense positions, and make other conforming changes. The provision would also amend section 132a of title 10, United States Code, to redesignate the Under Secretary of Defense for Business Management and Information as the Under Secretary of Defense for Management and Support. The provision would also amend chapter 4 of title 10, United States Code, to establish an Under Secretary of Defense for Research and Engineering, an Under Secretary of Defense for Acquisition and Sustainment, and a chief management officer within the Department of Defense, effective on February 1, 2018. It requires the Secretary of Defense to conduct a review and submit a report to the congressional defense committees on the organizational and management structure for the Department.

Organizational Strategy for the Department of Defense (sec. 911)

This provision would require the Secretary of Defense to develop and implement an organizational strategy for the Department of Defense.

Secretary of Defense for the Department of Defense (sec. 912)

This provision requires a series of management directives for the next Secretary of Defense. The provision would scope the management overview to focus on policy goals, organizational management, and delayering of Department of Defense organizations and require updates in the form of a briefing on February 1 of each year through 2022 after the initial written report is submitted by April 1, 2017.

Joint Chiefs of Staff and related combatant command matters (sec. 921)

This provision amends sections 151 and 153 of title 10, United States Code, to clarify the role of the Chairman of the Joint Chiefs of Staff and the key duties that this officer must perform on behalf of the joint force, specifically: providing advice on the military elements of defense strategy and the global integration of military activities; advocating for the joint warfighter of today and tomorrow, especially with respect to developing joint capabilities; ensuring comprehensive joint readiness; and fostering joint force development. This provision seeks to clarify the role of the Chairman and thereby set an expectation that the preponderance of any Chairman's time should be devoted to the key strategic, global, and joint duties that are the Chairman's unique purview within the military. The provision would also enhance the role of the other members of the Joint Chiefs, and the Joint Chiefs of Staff as a corporate body, to provide military advice to civilian leaders, including on the military elements of strategy. Current law provides the Chairman discretion with regard to how much to consult with the other Joint Chiefs and whether to inform civilian leaders of alternative military advice. This provision would seek to better enable the Chairman to act as the principal military adviser to civilian leaders. Additionally, the provision makes certain changes to enhance the position of the other members of the Joint Chiefs as military advisors, extend the terms of the Chairman and the Vice Chairman to 4 years and ensure that such terms are staggered, outline the Chairman's role in planning,

advice, global military integration, and ensure open communication between the combatant commands and the Chairman.

Establishment of Unified Combatant Command for Cyber Operations (sec. 923)

This provision establishes a unified combatant command for cyber operations with the primary function to prepare cyber operations forces to carry out assigned missions.

Assigned forces of the combatant commands (sec. 924)

This provision amends section 162 of title 10, United States Code, to require the secretaries of the military departments, at the direction of the Secretary of Defense, to assign forces under the jurisdiction of the secretaries concerned to the combatant commands to perform missions assigned to the combatant commands. Forces that are not so assigned shall remain under the direction and control of the respective military department secretaries for purposes of carrying out the secretaries' responsibilities under sections 3013, 5013, and 8013 including organizing, training, and mobilizing of all United States military forces.

Modifications to the requirements process (sec. 925)

This provision amends Section 181 of title 10, United States Code, to clarify and modify the joint and service-specific requirements process. This provision would ensure that the service chief of the relevant military service is responsible for all service-specific requirements, and Joint Requirements Oversight Council (JROC) validation is not required before commencing a service-specific acquisition program, except for a major defense acquisition program or a service-specific program designated for JROC oversight by the Chairman of the Joint Chiefs of Staff. Additionally, this provision would require the Chairman to determine whether a major defense acquisition program meets joint requirements before the program or subprogram receives Milestone approval. The provision also would make the Vice Chairman of the Joint Chiefs of Staff the principal adviser to the Chairman on requirements. The provision modifies the responsibilities of the JROC to focus on critical joint warfighting needs by: (1) determining gaps in joint military capabilities; (2) validating that proposed capabilities fulfill a gap; and (3) approving only joint performance requirements, such as interoperability or those involving more than one military service. The provision modifies definitions of joint military capabilities and performance requirements. The provision also would provide the JROC with authority to review performance requirements for other proposed or existing capabilities that the Chairman determines should be reviewed by the JROC. Additionally, the provision requires that the Secretary of Defense establish an investment review process, to be co-chaired by the Deputy Secretary of Defense and the Vice Chairman of the Joint Chiefs of Staff, to establish cost and fielding targets for new programs pursuant to section 2448a of this Act. The provision directs the Secretary to develop a plan for implementing this investment review process and to brief the defense committees on the elements of the plan no later than 6 months after enactment of the Act. It directs the Secretary to evaluate the Department's Analysis of Alternatives process for determining trade-offs and weapon system solutions in acquisition programs.

Assessments of combatant command structure (sec. 926)

This provision requires the Secretary of Defense to enter into a contract with an independent entity to conduct an assessment on the combatant command structure and to provide recommendations for improving the overall effectiveness of combatant command structures. The Secretary of Defense shall conduct an assessment of the organization of the combatant commands and provide recommendations for changes to improve the effectiveness of such commands as well as enter into a contract for an independent assessment of the organization of the combatant commands.

Qualifications for appointment of the Secretaries of the military departments (sec. 931)

This provision would amend sections 3013, 5013, 8013 of title 10, United States Code, to prescribe management experience of large and complex organizations as qualification required for individuals to serve as the Secretaries of the Army, Navy, and Air Force, respectively. The provision would establish that service secretaries shall, to the greatest extent practicable, be appointed from among persons most highly qualified for the position by reason of background and experience, including persons with appropriate management or leadership experience.

Enhanced personnel management authorities for the Chief of the National Guard Bureau (sec. 932)

This provision would amend section 1058 of title 10, United States Code, to enhance the personnel management authority of the Chief of the National Guard Bureau by authorizing the Chief to program for, appoint, employ, administer, detail, and assign federal civilian employees to provide full-time support to the non-federalized National Guard. This provision clarifies that state adjutants general will continue to exercise their authority to hire, employ, and supervise the federal civilian employees providing full-time support to their state.

National Defense Strategy (sec. 941)

This provision requires the Secretary of Defense to provide the congressional defense committees a national defense strategy that addresses the highest priority missions for the Department of Defense, the most critical and enduring threats to the national security of the United States and its allies, and the strategies that the Department will use to counter those threats.

Commission on the National Defense Strategy for the United States (sec. 942)

This provision establishes a commission to be known as the “Commission on the National Defense Strategy for the United States” to examine and make recommendations with respect to national defense strategy for the United States. The commission would replace the National Defense Panel and precede the development of the National Defense Strategy, required elsewhere in this Act.

Reform of the national military strategy (sec. 943)

This provision revises the requirements of the national military strategy.

Form of annual national security strategy report (sec. 944)

This provision amends Section 108(c) of the National Security Act of 1947 (50 U.S.C. 3043(c)) by requiring the national security strategy report to be delivered in classified form, but it may include an unclassified summary to be delivered to Congress.

Modification to independent study of national security strategy formulation process (sec. 945)

This provision amends section 1064 of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114-92), which requires an independent study of the national security strategy formulation process, by adding a requirement for the study to address the workforce responsible for conducting strategic planning and to examine how Congress fits into the strategy formulation process.

Modification of authority of the Secretary of Defense relating to protection of the Pentagon Reservation and other Department of Defense facilities in the National Capital Region (sec. 952)

This provision amends section 2674 of title 10, United States Code, to update the authority of the Secretary of Defense to appoint law enforcement personnel to protect the Pentagon reservation and Department of Defense activities in the National Capital Region, and to set the rates of basic pay for law enforcement and security personnel whose permanent duty station is the Pentagon reservation.

MISCELLANEOUS PROVISIONS

Sense of Congress on sequestration (sec. 1004)

This provision expresses the sense of Congress that the statutory budget caps imposed by the Budget Control Act of 2011 (BCA) remain an unreasonable and inadequate budgeting tool to address the Nation's fiscal challenges. This provision acknowledges that relief from the BCA should include both defense and non-defense spending, and that the caps in the budget control act should be modified through a bipartisan legislative agreement.

Codification and modification of authority to provide support for counter-drug activities and activities to counter transnational organized crime of civilian law enforcement agencies (sec. 1011)

This provision would establish a new section in title 10, United States Code, to codify section 1004 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510), as most recently amended by section 1012 of the Carl Levin and Howard P. `Buck' McKeon National Defense Authorization Act for Fiscal Year 2015 (Public Law 113-291). The provision would also make modifications to the types of support that may be provided with respect to foreign law enforcement. The provision also codifies and makes modifications to the authority of the Department of Defense to provide support for counter-drug activities and activities to counter transnational organized crime of civilian law enforcement agencies. The provision would also require coordination with the Secretary of State for support for foreign law enforcement agencies under the authority.

Secretary of Defense review of curricula and program structures of National Guard counterdrug schools (sec. 1012)

This provision amends section 901 of the Office of National Drug Control Policy Reauthorization Act of 2006 (Public Law 109-469) to authorize the Secretary of Defense to review and approve the curriculum and program structure of each of the National Guard counterdrug schools. Conference report language notes the importance of the National Guard counterdrug schools in the development, training, and maintenance of skills for Federal, State, local, and foreign government officials to combat illicit trafficking.

Enhancement of information sharing and coordination of military training between Department of Homeland Security and Department of Defense (sec. 1014)

This provision would require the Secretary of Homeland Security to ensure that the information needs of the Department of Homeland Security (DHS) relating to civilian law enforcement activities in proximity to the borders of the United States are identified and communicated to the Secretary of Defense for the purposes of planning and executing military training. The provision would require the Secretary of Defense to ensure that such military training conducted in proximity to the borders of the U.S. is coordinated with DHS. Further, the provision would require the Secretary of Homeland Security and the Secretary of Defense to create joint guidance to ensure information relevant to drug interdiction or other civilian law enforcement matters that is collected by the U.S. military during the normal course of military training or operations is provided promptly to civilian law enforcement officials in accordance with section 371 of title 10, United States Code.

Transition of Air Force to operation of remotely piloted aircraft by enlisted personnel (sec. 1052)

This provision that would require the Air Force, by September 30, 2019, to transition all remotely piloted aircraft (RPA) operations to an organizational model that uses enlisted personnel for a significant number of RPA operators. The required transition date is September 30, 2020, for the active duty component, and September 30, 2023 as the required date for transition by the Air Force Reserve and Air National Guard.

Annual reports on unfunded priorities of the Armed Forces and the combatant commands and annual report on combatant command requirements (sec. 1064)

This provision requires the Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, Commandant of the Marine Corps, and to submit to the Secretary of Defense, Chairman of the Joint Chiefs of Staff, and congressional defense committees a report on the unfunded priorities no later than 10 days after the date on which the President submits the annual budget request. The provision amends section 153(c)(1) of title 10, United States Code to require the Chairman of the Joint Chiefs of Staff to submit an annual report on COCOM requirements no later than 25 days after the date on which the President submits the budget request to Congress.

Assessment of the joint ground forces of the Armed Forces (sec. 1075)

This provision would require the Secretary of Defense and Chairman of the Joint Chiefs of Staff to oversee a comprehensive assessment of the joint ground forces and provide a report on the assessment's findings no later than one year after the enactment of this act. The provision would require the Secretary of Defense, in consultation with the Chairman of the Joint Chiefs of Staff, the Chief of Staff of the Army, and the Commandant of the Marine Corps, to oversee an assessment of the joint ground forces of the Armed Forces, and provide a report on the assessment's findings to the Committees on Armed Services of the Senate and the House of Representatives not later than one year after the enactment of this Act. The report shall include

an assessment by the Chief of Staff of the Army and the Commandant of the Marine Corps of any specific gaps in the capability and capacity of the Army and Marine Corps, respectively, that threaten the successful execution of decisive operational maneuver.

Modification of requirements relating to management of military technicians (sec. 1084)

This provision would delay the implementation date of section 1053 of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114-92) until October 1, 2017 and align the date of conversion for military technicians (non-dual status) with military technicians (dual status).

Sense of Congress regarding the OCONUS basing of the KC-46A aircraft (sec. 1094)

This provision expresses the sense of the Congress regarding the basing of KC-46A tanker aircraft outside of the continental United States.

Department of Defense State Partnership Program (sec. 1246)

This provision would codify the Department of Defense State Partnership Program (section 1205 of the National Defense Authorization Act for Fiscal Year 2014 (Public Law 113-66), as amended by section 1203 of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114-92)).

Limitation on termination of dual-hat arrangement for Command of the United States Cyber Command (sec. 1642)

This provision expresses the sense of Congress that the arrangement (commonly referred to as a "dual-hat arrangement") under which the Commander of the United States Cyber Command (CYBERCOM) also serves as the Director of the National Security Agency is in the national security interests of the United States. The provision would also prohibit the Secretary of Defense from taking action to end the "dual-hat arrangement" until the Secretary and the Chairman of the Joint Chiefs of Staff jointly determine and certify to the appropriate committees of Congress that ending that arrangement will not pose unacceptable risks to the military effectiveness of CYBERCOM. The provision would also require the establishment of conditions-based criteria for assessing the need to sustain the "dual-hat arrangement."

Cyber mission forces matters (sec. 1643)

This provision would provide interim authorities to the Secretary of Defense to enhance the Department's ability to hire and retain civilian personnel with the high-level of skill and aptitude necessary provide critical technical support to the Cyber Mission Teams that are now nearing full operational capability. The provision also would direct the Principal Cyber Advisor to (1) supervise the development of training standards and capacity to train civilian cyber personnel to develop tools and weapons for the Cyber Mission Forces and (2) ensure that sufficient priority exists for the timely completion of security clearance investigations and adjudications for such personnel.

Strategy to incorporate Army reserve component cyber protection teams into Department of Defense cyber mission force (sec. 1651)

This provision would require the Secretary of the Army to provide a briefing on a strategy for incorporating Army reserve component protection teams into the cyber mission force of the Department of Defense.

Sense of Congress on cyber resiliency of the networks and communications systems of the National Guard (sec. 1655)

This provision asserts the sense of Congress concerning cyber resiliency of the networks and communications systems of the National Guard.

OTHER FUNDING AUTHORIZATION PROVISIONS

Authorized Army National Guard construction and land acquisition projects (Sec. 2601)

This section would authorize military construction projects for the Army National Guard for fiscal year 2017. The authorized amounts are listed on an installation-by-installation basis.

Authorized Air National Guard construction and land acquisition Projects (Sec. 2604)

This section would authorize military construction projects for the Air National Guard for fiscal year 2017. The authorized amounts are listed on an installation-by-installation basis.

Authorization of appropriations, National Guard and Reserve (Sec. 2606)

This section would authorize appropriations for the reserve component military construction projects authorized for construction for fiscal year 2017 in this Act. This section would also provide an overall limit on the amount authorized for military construction projects for each of the reserve components of the military departments. The state list contained in this report is the binding list of the specific projects authorized at each location.

Prohibition on conducting additional base realignment and closure (BRAC) round (Sec. 2702)

This section would make clear that nothing in this Act shall be construed to authorize a future Base Realignment and Closure (BRAC) round. Elsewhere in the Act, the committee recommends a reduction of \$4.0 million for BRAC planning activities.

Clarification of persons subject to UCMJ while on inactive-duty training (Sec. 5102)

This section would amend section 802 of title 10, United States Code, (Article 2, Uniform Code of Military Justice (UCMJ)) that would clarify jurisdiction for reserve component members during time periods incidental to Inactive-Duty Training (IDT).

DIRECTIVE REPORT LANGUAGE

CONFERENCE REPORT – Joint Explanatory Statement

Temporary suspension of officer grade strength tables

The conferees believe that providing relief from statutory caps on the numbers of officers of the active and reserve components serving in pay grades from O-4 to O-6, for an appropriate trial period, may allow the secretaries of the military departments to adjust the shape of their officer corps to affect talent management-based promotion systems and more quickly adapt to changing war fighting requirements and available talent supply. The conferees are concerned that such statutory flexibility must be exercised in a manner that would promote lean, efficient, and highly effective officer corps and must not result in bloated senior officer ranks that impede the proper administration of the officer personnel management system. Therefore, the conferees modify the reporting requirement directed in the Senate report accompanying section 503 of S.2943 (S. Rept. 114-255) to require the Secretary of Defense to submit a report to the Committees on Armed Services of the Senate and the House of Representatives, not later than March 1, 2017, describing how the military departments would propose to use the authority described in section 503 of the Senate-passed bill, a description of the specific categories of adjustments in control grades and the number and percentages of such adjustments desired, and an assessment of the impact of the authority, if implemented, on the desired officer grade composition of the military departments. The report shall specifically address the proposed use of this authority for military intelligence officers, foreign area specialists, judge advocates with a military justice skill identifier, and officers with expertise in cyber matters.

Limitations on ordering selected reserve to active duty for preplanned missions in support of the combatant commands

The conferees note that the authority to order Selected Reserve units to Active Duty under section 12304(b) of title 10, United States Code, is designed to incentivize deliberate planning for the use of the Selective Reserve as part of the operational force by requiring missions to be planned in advance and included in annual budget submissions. Other provisions of title 10, United States Code, provide authority to order members and units of the reserve components to Active Duty to address emerging requirements arising during the year of execution.

Direct employment pilot program for members of the National Guard and Reserve

The conferees note that the South Carolina and California National Guards conduct state employment programs that have seen success in recent years and serve as a model for other states and territories to set up similar state employment programs. The conferees note the numerous employment assistance programs for transitioning servicemembers coordinated by the military services, the Department of Defense, the Department of Labor, and the Department of Veterans Affairs, such as the Department of Labor's Veterans' Employment and Training Service and the Department of Veterans Affairs' VA for Vets program and Feds Hire Vets employment tool. The conferees encourage the Chief of the National Guard Bureau to work with the Secretary of Defense to coordinate with the Secretary of Labor and the Secretary of Veterans Affairs to leverage these preexisting Federal employment programs.

Report on priorities for bed downs, basing criteria, and special mission units for C-130J aircraft of the Air Force

This provision directs the Secretary of the Air Force, not later than February 1, 2017, to submit to the congressional defense committees a report on the following:

- (1) The overall prioritization scheme of the Air Force for future C-130J aircraft unit bed downs;
- (2) The strategic basing criteria of the Air Force for C-130J aircraft unit conversions;

- (3) The unit conversion priorities for special mission units of the Air Force Reserve Command, the Air National Guard, and the regular Air Force, and the manner which considerations such as age of airframes factor into such priorities; and,
- (4) Such other information relating to C-130J aircraft unit conversions and bed downs as the Secretary considers appropriate.

Army National Guard M2 Bradley Infantry Fighting Vehicle upgrades

The committee notes that the Army intends to maintain two versions of the M2 Bradley Infantry Fighting Vehicle (IFV) for the foreseeable future, with the M2A3 equipping Active Duty armored brigade combat teams (ABCT) and the M2A2 Operation Desert Storm Situational Awareness variant in the Army National Guard. While the committee understands the funding constraints that have led to this mixed fleet approach, the committee continues to be concerned about the potential divergence in capability between Active Duty ABCTs and Army National Guard ABCTs. Therefore, the committee encourages the Army to continue to work toward a pure fleet approach to M2 Bradley Infantry Fighting Vehicles in the Army. However, if funding is not available for that goal, the committee encourages the Army to continue to modernize M2 Bradley IFVs in the Army National Guard to the maximum extent possible.

Chemical, Biological, Radiological, and Nuclear Response Enterprise Information Management System (NGB has completed this requirement)

The committee is aware that the National Guard Bureau Weapons of Mass Destruction-Civil Support Teams (CST) currently field a system, the CST Information Management System (CIMS), to provide a common operating picture, promote information sharing and real-time collaboration in an emergency situation, and support the CST mission of assisting and advising first responders and facilitating communications with other Federal resources. The committee is also aware that the CIMS system is being modified to establish an enterprise-capable tool, referred to as the National Guard Chemical, Biological, Radiological, and Nuclear Response Enterprise Information Management System 2018+ (NG CIMS 2018+), that will expand the capabilities of the CIMS to support the other National Guard Bureau forces, such as the Chemical, Biological, Radiological, Nuclear, and High-Explosive Enhanced Response Force Package and Homeland Defense Response Force units. The committee believes it is important that this enhanced CIMS capability be fielded quickly and efficiently by utilizing prior investments to expand and enhance communication capability. The committee is aware of the plan to develop and establish the NG CIMS 2018+ through a multi-phase approach, including establishing initial operational capability in fiscal year 2016 and proving full operational capability in fiscal year 2018. Therefore, the committee directs the Secretary of Defense to provide a briefing to the Committee on Armed Services of the House of Representatives by December 1, 2016, detailing the status of the development of the NG CIMS 2018+ tool to date, as well as a description of the progress on providing the initial operational capability and an update on the future plans and milestones to establishment of full operational capability.

High Mobility Multipurpose Wheeled Vehicle ambulance recapitalization

The committee recognizes the tactical importance of the High Mobility Multipurpose Wheeled Vehicle (HMMWV) fleet and the enduring requirement to maintain a capable HMMWV fleet supporting multiple relevant mission roles for Active and Reserve Component units. The committee notes that Congress has provided an additional \$520.0 million over the past 3 years to address unfunded modernization requirements for the Army Reserve (USAR) and Army National Guard (ARNG) HMMWV fleets. The committee also recognizes the critical medical ground evacuation mission role provided by the HMMWV ambulance variant. The committee is concerned that the Army's current fleet of Active Component HMMWV ambulances are now on average 27 years old, exceeding the expected useful life of the vehicle by 12 years. The committee also understands the Army does not have a fully funded reset, recapitalization, or replacement plan in place for the entire HMMWV ambulance fleet. The committee is aware of the successful effort already underway to modernize the HMMWV ambulance fleet for the ARNG and USAR through new production vehicles, the M997A3 variant. The committee believes the Army should consider a similar effort for the Active Component. The committee directs the Secretary of the Army to develop an acquisition strategy to modernize the current fleet of HMMWV ambulances for the Active Component and to provide a briefing to the Committee on Armed Services of the House of Representatives by March 1, 2017, on the details of this acquisition strategy.

A-10 aircraft

The committee notes that the Department of the Air Force plans for the F-35A aircraft, a fifth-generation multi-role fighter, to replace A-10 and F-16 aircraft. The committee further notes that mission sets for F-35A include, but are not limited to, missions currently performed by the A-10, which are primarily close air support (CAS), combat search and rescue (CSAR), and forward air controller-airborne (FACA). The Air Force has taken the equivalent of four A-10 squadrons out of service over the last 4 years, and only nine operational A-10 squadrons remain across the Active Duty and Air Reserve Components, while the A-10 is currently deployed to three overseas locations including the Republic of Korea, Europe, and for Operation Inherent Resolve against the Islamic State of Iraq and the Levant. The committee also notes that the Department of Defense has made contradictory statements about the Future Years Defense Program for activation of F-35A units and divestiture of A-10 units. These contradictory statements, including the current plan to begin retiring more A-10s before there is a proven replacement for its capabilities, create uncertainty over the Department of the Air Force's ability to provide continuous CAS, CSAR, and FAC-A capabilities to the joint force. The committee believes that the Department of the Air Force continues to suffer from capacity shortfalls in its fighter aircraft fleets, and that these shortfalls are being exacerbated by the near-term readiness challenges that are systemic across all the military services. As such, the committee believes that retiring any more A-10s without a proven replacement to its unique capabilities, or proof that the F-35A can replace the A-10's mission capabilities, is an unacceptable risk. The committee understands the F-35 is scheduled to complete an initial operational test and evaluation (IOT&E) in fiscal year 2018 or in early fiscal year 2019. Elsewhere in this Act, the committee includes a provision that would prohibit the retirement of A-10 aircraft until the Director of Operational Test and Evaluation (DOT&E) provides a report to the congressional defense committees on the results of the IOT&E. The IOT&E would include, but would not be limited to, a comparison test and evaluation that examines the capabilities of the F-35A and A-10C in conducting CAS, CSAR, and FAC-A missions. This provision would also require the Secretary of the Air Force to submit a report to the congressional defense committees on the Secretary's views of the results of this IOT&E, which should include any issues or concerns from the DOT&E report, a path forward for addressing any deficiencies or corrective actions identified by DOT&E, and the near- and long-term strategy for preserving the Air Force's capabilities in CAS, CSAR, and FAC-A.

The committee believes that to ensure combat realism, the comparative testing should include, but not be limited to, both pre-planned and emergency divert missions to address effectiveness in realistic, complex ground firefight scenarios. These scenarios should include those in which enemy forces are in close proximity to friendly forces where the pilot is required to visually identify the target and friendly forces in day and night conditions; armored targets; scenarios requiring continuous weapons delivery, command and control (C2), extended time over target, and simulated collateral damage restrictions; deception scenarios with degraded visual environments; low-altitude employment, including "shows of force" and strafe; survivability from simulated direct hits by small arms fire, light anti-aircraft artillery, and man-portable air

defense systems; scenarios in which simulated aircraft systems are damaged; scenarios conducted without joint tactical air controller or higher headquarters control to test CAS aircraft suitability for forward air controller-airborne deconfliction of fires; and scenarios including joint fires coordination and timing, including Joint Air Attack Team attacks with Department of the Army aviation assets and artillery deconfliction. CSAR missions should compare effectiveness in the rescue mission commander role, coordinating all aspects of an extended CSAR mission, including but not limited to: locating and protecting the isolated personnel with continuous firepower; controlling other fighters as FAC-A; coordinating electronic attack; intelligence, surveillance and reconnaissance; aerial refueling; C2; and rescue vehicle escort. The committee notes that previous aircraft programs such as the F-22 also conducted comparison testing as part of IOT&E. The committee also notes that at a hearing held by the House Committee on Armed Services' Subcommittee on Tactical Air and Land Forces on March 23, 2016, the Director of Operational Test and Evaluation testified that the cost of the F-35 and A-10 comparative testing would be between \$3.5 million and \$5.2 million, and that he was working to ensure that the F-35 and A-10 comparative testing is accomplished within the established budget for IOT&E. Additionally, the committee expects that the Department of Defense will provide the report required by section 142 of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114-92) on time, and based on that report, the committee may take further action on options for an A-10 replacement program.

Aerial refueling recapitalization

The committee notes that the nation's ability to meet its air-refueling requirements must not be placed at increased risk while the Department of Defense executes its strategic aerial refueling recapitalization strategy. Specifically, the committee notes that the Department is currently executing its KC-46A Pegasus acquisition program to replace a number of aging KC-135 Stratotankers and that KC-46As will eventually replace the KC-10 Extender fleet. The committee strongly reiterates the importance of ensuring that the Department's execution of the phase-out and replacement portion of its aerial refueling recapitalization strategy does not compromise its ability to meet stated short- or long-term air-refueling requirements.

Air National Guard F-16 mission training centers

The budget request contained \$15.2 million for F-16 aircraft support equipment and facilities, but contained no funding for the procurement of additional F-16 mission training centers (MTC) for the Air National Guard. The committee notes that an F-16 MTC allows pilots to train in scenarios that are either impossible or too expensive to conduct in home-station flying training, and believes that the MTC environment significantly improves F-16 pilot skill and readiness to perform actual combat missions with increased effectiveness. Each MTC includes high-fidelity simulator cockpits, instructor operator stations, a threat server, and briefing and debriefing capabilities. The MTC is also capable of linking and integrating into geographically distributed high-fidelity combat and combat support training devices that include command and control and intelligence, surveillance, and reconnaissance systems. This capability allows F-16 pilots at home stations to exercise and train at the operational and tactical levels of war, as well as conduct networked unit-level training, in large force employment scenarios with other Air Force aircraft integrated into the distributed mission operating architecture. The committee understands that F-16 MTCs are currently planned for Hill Air Force Base (AFB), Utah; Shaw AFB, South Carolina; and Holloman AFB, New Mexico. The committee further understands that other F-16 pilots based in the United States would be required to travel to one of the three MTC locations to take advantage of its capabilities, and believes an additional MTC would avoid travel costs and make the F-16 block MTC more accessible to Total Force F-16 pilots, enabling the Air Force's current state of low readiness for full-spectrum combat capability to more quickly recover. Therefore, the committee recommends \$40.0 million, an increase of \$24.8 million, in F-16 aircraft support equipment and facilities for the procurement and installation of an additional F-16 MTC for the Air National Guard and utilization by all Total Force F-16 pilots.

Basing priorities for future Air National Guard Modular Airborne Firefighting Systems Missions

The committee is concerned about the current positions of Modular Airborne Firefighting Systems (MAFFS) that are operated by Air National Guard (ANG) C-130s. As shown in the National Guard Bureau's brief to

the committee on MAFFS, there is a current gap in northwest States based on the current allocation of existing MAFFS unit locations. Additionally, the committee understands that the year 2015 was one of the most devastating fire seasons on record and, according to the National Interagency Fire Center, the most destructive forest fires occurred in the northwestern States of Montana, Oregon, Idaho, and Washington. One of the most important factors for fire suppression in high-density forested areas is the ability to contain forest fire immediately before the fire grows to catastrophic size. The committee believes that MAFFS units should be located in areas that have the ability to rapidly respond to areas with a high propensity for high-density forest fires. The committee concurs with the U.S. Department of Agriculture (USDA) Forest Service recommendations that the location of MAFFS units should be in close proximity to fire-prone States, not located on the East Coast. The committee believes that these recommendations would be able to prevent a repeat of the 2015 fires season where over \$1.70 billion was spent by the USDA Forest Service alone for fire suppression. The committee believes that when making future basing decisions with regard to MAFFS units, the Air Mobility Command should consider geographical gaps of MAFFS units, and give preference to areas that are prone to high-density catastrophic forest fires.

C-130H Modernization

The budget request contained \$9.2 million for C-130 modernization for the Avionics Modernization Program (AMP) Increment 1 program. This program will provide the mandated radios, Automated Dependent Surveillance Broadcast (ADS-B) Out and enhanced Mode S capabilities necessary to operate in international airspace by the year 2020. The committee fully supports this request and is committed to ensuring the long-term viability of the C-130H aircraft in the Air Force's Regular, Guard, and Reserve Components until they reach their expected service life or are recapitalized. By most estimates, with proper avionics upgrades, the roughly 172-aircraft C-130H fleet is viable until at least 2040. However, AMP Increment 1 only addresses 4 of the 12 Communication, Navigation, and Surveillance/Air Traffic Management compliance mandates and does not resolve the cockpit avionics obsolescence that limits the long-term viability of the aircraft. The planned follow-on AMP Increment 2 effort will replace the current cockpit with a modern digital "glass cockpit." This will allow the Air Force's fleet to be supported well into the future, resolve diminishing manufacturing sources, and increase mission availability. It will also provide upgraded Automatic Flight Control System capabilities to take advantage of more efficient airspace management capabilities, and eliminate some maintenance and readiness issues. The committee is aware of commercially available, non-developmental Increment 1 and Increment 2 solutions for C-130-derivative aircraft. The committee encourages the Secretary of the Air Force to fully pursue full and open competitions for both the Increment 1 and Increment 2 programs. The committee is encouraged by the Air Force's renewed commitment to upgrading C-130H aircraft and expects both AMP Increments 1 and 2 to continue to be fully funded in future budget requests. In addition to avionics upgrades, the committee continues its strong support for C-130H propulsion and propeller system upgrades. The committee believes that these upgrades will provide cost savings through increased fuel efficiency and reduced maintenance requirements. The committee recommends \$81.7 million, an increase of \$72.5 million, for C-130H propulsion and propeller system upgrades.

C-130J Hercules aircraft

The budget request contained \$146.0 million for the C-130J program. The committee is concerned by the Air Force plans to procure only two C-130Js in fiscal year 2017. The committee is concerned that the Air Force reduced two C-130J aircraft from the President's budget request due to fiscal constraints. These reductions have also put the initiation of Air National Guard and Air Force Reserve C-130H-to-J fleet recapitalization at increased risk. The committee notes that the Active Duty combat delivery fleet has essentially completed its replacement of legacy C-130H aircraft with the C-130J. Likewise, it is noted that the Air Force Special Operations Command and U.S. Marine Corps, including the U.S. Marine Corps Reserves, are also well on their way to C-130J recapitalization completion. The committee recommends \$417.5 million, an increase of \$271.5 million, for the procurement of three additional C-130J aircraft.

F-22 production restart assessment

The committee notes that production of the F-22 fifth-generation tactical aircraft concluded in 2009, and notes 187 aircraft were produced, far short of the initial program objective of 749 aircraft, as well as the Air

Combat Command's stated requirement of 381 aircraft. The committee also understands there has been interest within the Department of the Air Force, Department of Defense, and Congress in potentially restarting production of the F-22 aircraft. In light of growing threats to U.S. air superiority as a result of adversaries closing the technology gap and increasing demand from allies and partners for high performance, multi-role aircraft to meet evolving and worsening global security threats, the committee believes that such proposals are worthy of further exploration. Therefore, the committee directs the Secretary of the Air Force to conduct a comprehensive assessment and study of the costs associated with resuming production of F-22 aircraft and provide a report to the congressional defense committees, not later than January 1, 2017, on the findings of this assessment. The committee expects the report to be unclassified, but may contain a classified annex. Further, the committee directs that the assessment and report consider and address the following:

- (1) Anticipated future air superiority capacity and capability requirements, based on anticipated near-term and mid-term threat projections, both air and ground; evolving F-22 missions and roles in anti-access/area-denial environments; F-15C retirement plans and service-life extension programs; estimated next generation aircraft initial operating capability dates; and estimated end-of-service timelines for existing F-22As;
- (2) Estimated costs to restart F-22 production, including the estimated cost of reconstituting the F-22 production line, and the time required to achieve low-rate production; the estimated cost of procuring another 194 F-22 aircraft to meet the requirement for 381 aircraft; and the estimated cost of procuring sufficient F-22 aircraft to meet other requirements or inventory levels that the Secretary may deem necessary to support the National Security Strategy and address emerging threats;
- (3) Factors impacting F-22 restart costs, including the availability and suitability of existing F-22A production tooling; the estimated impact on unit and total costs of altering the total buy size and procuring larger and smaller quantities of aircraft; and opportunities for foreign export and partner nation involvement if section 8118 of the Defense Appropriations Act, 1998 (Public Law 105-56) prohibiting export of the F-22 were repealed;
- (4) Historical lessons from past aircraft production restarts; and
- (5) Any others matters that the Secretary deems relevant.

F-35 Lightning II aircraft program

The F-35 Lightning II is the Department of Defense's largest acquisition program, which will eventually deliver 2,443 F-35 aircraft to the Departments of the Navy and Air Force. The committee believes that the F-35 will form the backbone of U.S. air combat superiority for decades to come, replacing or complementing the legacy tactical fighter fleets of the Air Force, Navy, and Marine Corps with a dominant, multi-role, fifth-generation aircraft capable of projecting U.S. power and deterring potential adversaries. The committee notes that for the F-35 program's international partners and foreign military sales customers, who are participating in the program, the F-35 will become a cornerstone for future coalition operations. The committee believes that the F-35 will help to close a crucial capability gap that will enhance the strength of our security alliances. Therefore, the committee continues its strong support of this crucial aircraft development and procurement program.

The F-35 Lightning II program is approximately 80 percent through its flight test program which is planned to be completed in the first quarter of fiscal year 2018. At a hearing held by the Subcommittee on Tactical Air and Land Forces of the House Committee on Armed Services on March 23, 2016, the F-35 Program Executive Officer (PEO) testified that the F-35 program is executing well across the spectrum of acquisition. However, the committee notes that the F-35 PEO has identified the software development for the final development software block, known as block 3F, as an area with some risk remaining that could result in a 4-month delay in delivery of software block 3F. This delay will not affect the Department of the Navy's initial operational capability for the F-35C in 2018. At that hearing on March 23, 2016, the F-35 PEO also identified the next version of the autonomic logistics information system (ALIS) as an area with some schedule risk. The Government Accountability Office's Director of Acquisition and Sourcing Management, who also testified at that hearing, likewise identified both completion of software block 3F and ALIS as risk areas. Accordingly, the committee continues to closely monitor both software progress and ALIS development. Looking toward the future, the committee is concerned about plans for F-35 sustainment. Consequently, elsewhere in this Act the committee includes a provision that would require the Comptroller General of the United States to provide a report to the congressional defense committees on the F-35 Lightning II aircraft program's sustainment support structure.

MQ-9 production funding in Future Years Defense Program

The budget request contained \$575.6 million in Aircraft Procurement, Air Force, for MQ-9 Reaper unmanned aerial systems (UAS). The committee supports the President's budget request for fiscal year 2017. However, the committee is concerned that there is no additional funding for procurement of additional MQ-9 UAS in the Future Years Defense Program. The committee notes that the Air Force recently announced a plan to increase intelligence, surveillance, and reconnaissance (ISR) capacity through a \$3.0 billion plan that includes basing expansions, increased manning, and procurement of additional MQ-9s. The committee understands that this plan may include establishment of up to 9 additional squadrons and 3,500 more personnel. Given this expansive new plan to increase ISR capacity, the committee encourages the Air Force to reconsider its Future Years Defense Program projections for the MQ-9 to ensure it includes the appropriate amount of new systems to support planned growth in ISR capacity. The committee recommends \$575.6 million, the full amount requested, in Aircraft Procurement, Air Force, for MQ-9 Reaper unmanned aerial systems.

Reporting requirement for C-130H recapitalization and modernization

The committee notes that the Air Force Reserve and Air National Guard, as well as the Special Operations Command, U.S. Marine Corps, and U.S. Coast Guard, are all well on their way to recapitalize their legacy C-130Hs with the newer, more cost effective, and more operationally capable, C-130Js. The Air Force has stated that some C-130H units within the Guard and Reserve will be modernized with upgraded avionics, while others will be recapitalized with C-130Js. What remains unclear at this point is which units will be modernized and which ones will be recapitalized. Therefore, the committee directs the Secretary of the Air Force to submit a report to the congressional defense committees by February 28, 2017, on C-130H recapitalization and modernization that shall include the following elements:

- (1) C-130H to C-130J recapitalization timeline by unit for the Air National Guard and Air Force Reserve;
- (2) C-130H Avionics Modernization Program Increment 1 and Increment 2 fielding timeline by unit for the Air National Guard and Air Force Reserve; and
- (3) C-130H propulsion system upgrades: T56 3.5 engine modification, NP 2000 8-bladed propeller, and electronic propeller controller system, timeline by unit for the Air National Guard and Air Force Reserve.

UH-1N replacement program

The budget request contained \$14.1 million in Research, Development, Test, and Evaluation, Air Force, and \$18.3 million in Aircraft Procurement, Air Force, for the UH-1N replacement program. The UH-1N replacement program would replace the Department of the Air Force UH-1N fleet by acquiring a nondevelopmental commercial or U.S. Government vertical lift aircraft. In the committee report (H. Rept. 114-102) accompanying the National Defense Authorization Act for Fiscal Year 2016, the committee noted

that the current UH-1N aircraft fleet fails to meet speed, range, payload, and defensive system requirements. The committee also noted that modifications to the existing fleet will not enable the UH-1N to meet mission requirements, and that the Department of the Air Force was assessing requirements for the UH-1N replacement, conducting market research, and developing UH-1N replacement acquisition alternatives. Since last year, the committee learned that nuclear weapons surety studies have highlighted a critical requirement for the replacement of the current fleet of UH-1N helicopters supporting the nuclear mission. However, while the committee notes that there is no validated Joint Urgent Operational Needs Statement (JUONS) associated with this requirement, the committee understands that a JUONS only applies to situations where U.S. military forces are actively engaged with enemy forces. Nevertheless, the committee believes that replacement of the helicopters performing the nuclear mission is now an urgent need based, in part, on the warning of the Commander of U.S. Strategic Command in an August 6, 2015, Memorandum to the Deputy Secretary of Defense and the Vice Chairman of the Joint Chiefs of Staff. In recent hearing testimony, Air Force officials stated that, in response to the concerns of operational commanders, the Air Force was considering a range of options to more quickly address the requirement for UH-1N replacement aircraft.

The committee understands that these options include deployment of existing units to provide additional capability through a formal Request for Forces to the Chairman of the Joint Chiefs of Staff, and a possible use of an Economy Act (31 U.S.C. 1535) decision, based on an “urgent and compelling need,” to procure UH-60M Black Hawk helicopters through the Department of the Army. The committee notes that in this case, an Economy Act decision to opt out of a competition would potentially allow for a sole-source contract award exceeding \$1.5 billion in value. However, the committee recognizes that the Secretary of the Air Force may proceed with such a non-competitive award if the Secretary determines the statutory requirements for doing so are met. The committee assumes that, if an Economy Act decision is made, procurement of the UH-60M aircraft could begin in fiscal year 2017, which would require more funding than requested in the budget request.

U.S. Air Force combat search and rescue

In the committee report (H. Rept. 113-102) accompanying the National Defense Authorization Act for Fiscal Year 2014, the committee encouraged the Department of Defense to adopt concurrent and balanced fielding of new equipment between the Active Component (AC) and Reserve Component (RC). The committee believes that in many cases, concurrent and balanced fielding can better integrate AC and RC units and help ensure the RC remains an operational reserve. Furthermore, the committee notes that many major defense acquisition programs have followed concurrent and balanced fielding, including the F-35 Joint Strike Fighter. The committee understands that the Air Force intends to field refurbished and upgraded HH-60G operational loss replacement (OLR) aircraft to RC combat search and rescue units in fiscal year 2018, and that these same units will receive new HH-60W combat rescue helicopter aircraft in the fiscal year 2027 to 2029 timeframe. The committee supports the plan to provide these OLR aircraft to RC units as soon as possible. However, the committee is concerned that there does not appear to be a plan to concurrently field the HH-60W to both AC and RC units, and that there is a potential 10-year gap between RC units receiving HH-60G OLR aircraft and the new HH-60W aircraft.

Additionally, the committee understands that the Department of the Air Force is undertaking an ongoing review to determine whether primary responsibility for combat search and rescue (CSAR) will remain with Air Combat Command or be moved to Air Force Special Operations Command. The committee notes the importance of the CSAR mission as the primary personnel recovery method for service men and women in extremis, as well as the complex nature of these operations that often require multi-service, dedicated, and fully trained forces. As the Air Force reviews this mission, the committee encourages an analysis of current and anticipated geographic combatant commander requirements and whether current force structure is capable of meeting those requirements with existing HH-60 and V-22 platforms. To address committee concerns, the committee directs the Secretary of the Air Force and relevant subordinate commands to brief the Committee on Armed Services of the House of Representatives not later than September 1, 2016, on Department of the Air Force plans for fielding the HH-60W to the AC and RC, and the status of the ongoing review for responsibility for the CSAR mission.

Joint Surveillance Target Attack Radar System recapitalization

The budget request contained \$128.1 million for the Joint Surveillance Target Attack Radar System (JSTARS) recapitalization program. The committee notes that the fiscal year 2017 budget request projects a delay of at least 1 month in the engineering and manufacturing development (EMD) contract award, from the fourth quarter of fiscal year 2017 to the first quarter of fiscal year 2018, and a 1-year delay in Initial Operational Capability (IOC) from fiscal year 2023 to 2024 in the recapitalization of the JSTARS fleet. The committee believes JSTARS recapitalization offers significant advantages: it will decrease the logistics footprint, reduce sustainment costs, increase operational flexibility, and extend operations into anti-access/area denial environments. The committee recognizes that the overall delay is a consequence of: (1) a delay in the milestone A decision; and (2) analysis conducted by both the Department of the Air Force and the Office of the Secretary of Defense that indicates the EMD schedule will require 4 to 5.5 years. The committee supports and understands the need for a technology maturation and risk reduction (TMRR) phase as part of the JSTARS recapitalization program, as a means to decrease cost, schedule, and performance risk prior to entering the EMD phase. The committee understands that the Air Force's acquisition strategy includes considering two radar alternatives as part of the TMRR phase. The committee believes that the TMRR phase is the appropriate place to pursue such a strategy. However, the committee also believes that pursuing multiple radar technologies concurrently within the program of record into the follow-on development phase would be inconsistent with the committee's acquisition reform initiatives. The committee expects the Air Force to down select to one radar solution as part of the EMD phase in order to ensure the program does not continue to be delayed. If the Air Force believes that alternative radar capabilities should be pursued for risk mitigation or capability enhancements in the future, the Air Force should pursue such an approach outside of the program of record with the ability to incrementally integrate in the future if necessary.

The committee has continually expressed concern that a protracted acquisition program will result in a multiyear capabilities gap, which will leave combatant commanders without an acceptable level of ground moving target indicators and battle management command and control capability. The committee also believes that the use of existing technology combined with a commercially available jet aircraft can result in a significantly faster acquisition program. The committee notes this approach would be consistent with current acquisition reform policies that direct a more streamlined and incremental approach for major defense acquisition programs. While the committee understands that the Department of the Air Force is conducting a study to determine the E-8's widespread airframe fatigue risk, which will be complete in March 2017, the committee notes that under the most optimistic scenarios, the Department can expect a shortfall of 10 JSTARS aircraft in its fleet of 16 operational aircraft by late fiscal year 2025. Accordingly, the committee encourages the Secretary of the Air Force to develop a plan, including incentives in the JSTARS recapitalization EMD and procurement contracts, to accelerate the development, procurement, and fielding of JSTARS recapitalization program. In addition, the committee believes the Air Force should program necessary funds in its future budget requests to accelerate the JSTARS recapitalization program in the Future Years Defense Program, and to eliminate the delay in delivering initial operational capability. The committee directs the Secretary of the Air Force to provide a briefing to the House Committee on Armed Services, not later than December 1, 2016. The briefing should include one option that would accelerate the IOC to fiscal year 2022, and a second option that would accelerate the IOC to fiscal year 2023. The committee recommends \$128.1 million, the full amount requested, for the JSTARS recapitalization program.

KC-46 aerial refueling tanker aircraft program

The budget request contained \$261.7 million in PE 65221F for KC-46 tanker development. The committee continues its long-standing support of the KC-46 tanker aircraft program. The committee notes that the program has had no engineering change proposals and program officials have stated that they do not expect any engineering change proposals for the remainder of the fiscal year. The committee also notes that the program has not incurred any additional or unexpected test support costs. Because the program continues to demonstrate stable requirements and has had no requested engineering change proposals or test support cost growth, the Government Accountability Office identified \$140.0 million of the remaining \$170.0 million set aside in fiscal year 2016 for unknown risks as excess funds that could be used to offset fiscal year 2017 risk

mitigation. Therefore, the committee recommends \$121.7 million, a decrease of \$140.0 million, in PE 65221F for KC-46 tanker development.

Future Vertical Lift

The committee recognizes that incremental improvements or upgrades to current Department of Defense rotorcraft will not fully meet future joint service operational requirements. With the exception of the V-22 Osprey, all U.S. rotorcraft deployed in the Republic of Iraq and the Islamic Republic of Afghanistan were designed during or before the Vietnam War. The committee continues to support the development of future vertical lift aircraft and encourages the Department to expand the prototyping program. Future Vertical Lift (FVL) is a joint program, with support from the Army, Navy, Air Force, Marine Corps, Special Operations Command, and Coast Guard. The committee understands that a key aspect of the FVL program is the Army's Joint Multi-Role (JMR) Technology Demonstrator. The JMR program includes related research on next-generation rotors, drivetrains, engines, sensors, and survivability that all feed into the FVL program. The committee notes that fiscal year 2017 is a critical year for technology development, with first flights of two demonstrator aircraft. Furthermore, wind-tunnel testing and other key milestones will reduce risk for the program of record and inform the FVL analysis of alternatives, which is expected to occur in the second half of 2017. However, the committee is concerned, due to the current resource constrained environment, that current funding levels are inadequate.

Therefore, the committee directs the Secretary of the Army to provide a briefing to the House Committee on Armed Services by January 31, 2017, on the status of both the prototype air vehicle demonstrations and supporting initiatives. The briefing should include potential options and required resources for accelerating the FVL program.

Army Aviation Multi-Component Pilot Program

The National Commission on the Future of the Army (NCFA) recommended the Army develop “a substantial pilot program” to test multi-component approaches in the Army’s aviation units. The committee believes that multi-component aviation units can improve readiness and enhance force integration by exploiting the differing strengths of the Regular Army and Reserve Components. The Army has begun limited use of multi-component approaches in aviation units with fixed-wing C-12 aircraft. Other co-located units, such as Black Hawk and Chinook helicopters in some States, allow units from different components to train together. The committee understands the Army is already pursuing implementation of the NCFA recommendation and is in the design phase of the pilot program. The committee applauds the Army’s efforts to test the aviation multi-component approach and expects the Army to provide progress reports as requested by the committee on the initiative as it moves forward.

C-130 Aircraft Maintenance and Modernization

Given current and future depot-level C-130 maintenance requirements, the likelihood of additional unscheduled requirements, depot capacity, the shortfall in depot maintainers, and broader responsibility for other military service C-130 maintenance requirements, the committee directs the Secretary of the Air Force to provide an unclassified briefing to the House Committee on Armed Services, not later than September 30, 2016, on the service’s approach to C-130 maintenance, service life extension, and modernization requirements over the next 5 years.

Force of the Future

The committee is aware of the Department of Defense’s personnel reforms collectively known as “Force of the Future.” These reforms are “designed to provide the military services a balanced set of force management tools that will allow them to improve their return on investment in human capital, improving military readiness in the long-run, while preserving military readiness and acknowledging operational demands in the near-term.” The Department has to date issued two tranches of these reform proposals and plans to deliver more as they are ready for implementation. The committee supports the Department’s efforts to address shortcomings in its military and civilian personnel systems and encourages its attempts to find innovative solutions to attract and maintain quality personnel. However, the committee is concerned that the readiness implications of many of these proposals have not been adequately addressed. Therefore, the committee

directs the Secretary of Defense to provide a briefing to the Senate Committee on Armed Services and the House Committee on Armed Services by December 1, 2016, on the readiness impacts of each of the approved and pending Force of the Future proposals. At a minimum, the briefing shall include the estimated cost of each proposal across the Future Years Defense Program; the estimated loss of days, by service, of both military and civilian personnel; and details of how the Department plans to measure the performance and effectiveness of each proposal.

Impact of Mandatory Training Requirements on Achieving Increased Readiness

The committee understands that mandatory training requirements in the military services can range from training for nuclear, biological, and chemical defense to marksmanship qualification, suicide prevention, physical fitness, and sexual assault prevention, among others. A 2002 study at the Army company commander level found there were 297 days of annual mandatory training requirements for 256 available training days. Discussions across the force confirmed that commanders receive additional mandatory training requirements regardless of their units' ability to actually comply with the totality of the requirements. The Department of the Army Inspector General in 2012 reported that at none of the 16 locations inspected were companies in the Army Force Generation process able to complete all mandatory training. The Army responded to a February 2015 study for the U.S. Army War College, which stated overwhelming training requirements may contribute to military personnel exaggerating or falsely reporting compliance in meeting statistical training requirements, by undertaking the "Objective T" initiative. "Objective T" seeks to reset mandatory training for appropriate individual-, leader-and unit-level training; shift selected mandatory training tasks to "as-required" elements of command responsibility; establish a biennial cycle for select mandatory training tasks for the Reserve Components; and adopt new standards for mandatory training.

While the Army War College study focused on Army personnel, testimonies indicate this is a problem facing all branches of the U.S. military. The committee is concerned that the ever-increasing training demand forces military leaders at multiple levels in the chain of command to make ethical decisions between actually training to standard or falsifying reporting, as well as choosing between training for mission essential tasks and those perceived to be of lesser value. In light of these concerns, the committee directs the Comptroller General of the United States to submit a report to the Senate Committee on Armed Services and the House Committee on Armed Services by February 1, 2017, addressing each of the following issues:

- (1) What is the level and range of mandatory training required annually in each of the military services, and do the requirements derive from law, policy, or guidance;
- 2) What processes do the military services use to establish and track mandatory training requirements for service members;
- (3) To what extent do the military services review and validate existing mandatory training requirements and assess the effectiveness of training strategies in meeting intended training objectives;
- (4) To what extent do the military services have processes in place to analyze the impact of mandatory training requirements and compliance checks on the training readiness and capabilities of their forces; and
- (5) To what extent do individual commanders have flexibility to prioritize mandatory training requirements in light of the amount of time available to complete individual and unit training. The committee further directs the Comptroller General to provide a briefing to the House Committee on Armed Services not later than December 1, 2016, on preliminary findings of the Comptroller General's study.

Rotary-Wing Aviation Readiness and Safety

The committee notes with concern the frequency of mishaps in rotary-wing aviation over the past 5 years. The committee further notes that the commander of the Army's Aviation Center of Excellence described home-station training as a significant concern due to the inability of the Army to provide sufficient flying hours for all pilots to meet established standards. Similarly, the committee notes that the Deputy Commandant of the Marine Corps for Aviation has described the reduction of funding for aviation training and maintenance as a critical concern. Further, the committee believes that the proficiency of rotary-wing pilots and the readiness of rotary-wing platforms provide crucial capabilities to the joint force. Therefore, the committee urges the Secretary of the Army and the Secretary of the Navy to prioritize rotary-wing aviation funding in order to ensure that the United States maintains this crucial capability into the future. The committee directs the Chief of Staff of the Army, the Chief of Naval Operations, and the Commandant of the

Marine Corps each to provide a report to the Senate Committee on Armed Services and the House Committee on Armed Services, not later than January 2, 2017, on the impact of reduced funding on rotary-wing aviation readiness and safety from fiscal year 2012 to the present and an estimate of the impact to aviation readiness and safety if funding were maintained at levels consistent with the Budget Control Act of 2011 (Public Law 112-25) through fiscal year 2023.

Support Capabilities for Operations in Europe

Since the end of the Cold War, the size and footprint of U.S. forces in Europe have decreased. Recently, however, Russian activities in the region have provided cause for reassessment. The Secretary of Defense recommended in the budget request for fiscal year 2017 to quadruple the allocation for the European Reassurance Initiative to \$3.40 billion, saying that this money will go to pay for increased rotations of U.S. forces to Europe, increased prepositioned stocks, and increased multinational training, among other things. Moreover, a significant part of the Department's future focus will be on Eastern Europe, where the United States has not previously had a significant military footprint. This increased U.S. effort in Europe raises concerns about the adequacy of the logistical and other support capabilities needed to sustain future operations. In light of these concerns, the committee directs the Comptroller General of the United States to evaluate the following with regard to the Department's support capabilities for increased activities in Europe and provide a preliminary briefing to the House Committee on Armed Services on the following factors not later than February 1, 2017, with a report to follow at a date to be determined at the briefing: (1) To what extent have the U.S. European Command and supporting commands identified gaps in logistical and other support capabilities relevant to an increased presence under the European Reassurance Initiative; (2) How have the relevant Department of Defense organizations addressed any identified gaps in logistical and other support capabilities; and (3) To what extent have the relevant Department of Defense organizations evaluated requirements for prepositioned stocks and other forward-positioned equipment to support future operations in Europe and developed a joint strategy and plan to implement any needed changes to these items.

Associated Unit Concept for Terminal High Altitude Area Defense Security Force Manning

The committee recognizes the important mission of the Terminal High Altitude Area Defense (THAAD) deployment in Guam and supports permanent basing as a means of establishing persistent deter-and-defeat capabilities in defense of the homeland and reassuring allies and partners. The committee appreciates the Army's commitment to total force integration and is encouraged by its support of opportunities to leverage cost savings and enable Active-Duty units to fill unique combatant command requirements by incorporating National Guard units into the THAAD security-force mission. Accordingly, the committee encourages the Department of the Army and the National Guard Bureau to continue to work cooperatively to ensure there are adequate resources programmed in fiscal year 2018 to support an Active-Guard associated unit for THAAD security force manning on Guam.

National Guard Cyber Protection Teams

The committee is aware that the Army National Guard has developed a plan to establish 10 cyber protection teams (CPT) to complement the Army's build for its contribution to the cyber mission force. The committee also understands that decisions relating to the establishment of those teams, and where they would be based, were made late in the budget cycle, and thus were not properly synchronized in the fiscal year 2017 budget request. The committee is aware that the Army National Guard has established three CPTs, but because of the lack of funding in fiscal year 2017, it will not be on track with its schedule for establishing teams this year.

Further, the committee recognizes that these Army National Guard CPTs are not integrated into the Army Cyber Command structure for cyber mission teams. This is unlike the approach the Air Force has taken, which integrates some Air National Guard units as part of its cyber mission force structure. The committee notes that the National Guard brings important capabilities to the Army, including experience and skills from industry experts, and the ability to bring greater outreach and support to States. The committee believes that the Army needs to work more expeditiously to determine and codify the role National Guard forces should

take in the cyber domain. The committee supports the training of the National Guard CPTs planned for fiscal year 2017, and urges the Army, as well as the National Guard, to ensure that projected funding disconnects are resolved in the fiscal year 2018 budget request. The committee also urges Army Cyber Command to finalize and promulgate clear policy about the role of Reserve Component CPTs in the Army's cyber mission build.

National Guard Unit for the Commonwealth of the Northern Mariana Islands

In response to section 515 of the National Defense Authorization Act for Fiscal Year 2014 (Public Law 113-66), the National Guard Bureau (NGB) in August 2015 reported that establishing National Guard units in both the Territory of American Samoa and the Commonwealth of the Northern Mariana Islands (CNMI) is feasible, but “major steps are necessary to reach that end state.” Among the issues raised were the territories’ limited ability to recruit, maintain, and sustain units, and that the costing framework to transfer force structure from one State or territory to American Samoa or the CNMI would have an impact on the donor State's or territory’s ability to accommodate the NGB’s “Essential Ten” homeland capabilities. With these issues in mind, the committee directs the Secretary of Defense to provide a briefing to the House Committee on Armed Services, not later than February 1, 2017, on how the Department of Defense would establish, maintain, and sustain a National Guard unit in the Commonwealth of the Northern Mariana Islands. At a minimum, the briefing shall include details regarding force structure allocation, recruiting, and funding requirements, including military construction, that would allow the committee to evaluate the cost and overall impact of locating a National Guard unit in CNMI.

Public-Private Partnerships for Cyber Education and Training

The committee is aware of the efforts of the Reserve Components of the military services, including the National Guard, to develop cyber protection teams that can leverage the best attributes, authorities, and capabilities of both civilian and military cyber practitioners. The committee recognizes that Reserve Component cyber personnel often bring a wealth of experience from their civilian life, coupled with the additional training and discipline instilled by military service. The committee is concerned, though, that the current training pipeline is a major bottleneck to fully manning and training cyber mission teams. This problem is exacerbated by the fact that current active units are prioritized in the current schoolhouses, which already have limited available training billets. The committee believes that the Department of Defense should look at additional ways to diversify the training pipeline available to all cyber personnel to help relieve that bottleneck. Elsewhere in this report, the committee encourages the Department to use Reserve Officer Training Corps programs, as well as senior military academies, to develop and implement common curricula that can satisfy the joint training standard. Also elsewhere in this report, the committee directs the Department of Defense to review its cyber training equivalency process to help improve the ability to give cyber personnel credit for other experience, certifications, or commercial training they may have received that meets the joint training standard. The committee also encourages the Department to look at additional ways to build public-private partnerships with academia, industry, and non-profit institutions as a way to develop additional training curricula equivalent to the joint standard to diversify that pipeline.

National Guard Bureau Briefing Requirement

The committee notes a perceived imbalance regarding manning and resource allocation on a State by State and territory by territory basis, therefore the National Guard Bureau is directed to provide a report to the Committee on Armed Services of the House of Representatives on the distribution of full-time manning and controlled grade positions as they relate to all 54 states and territories no later than February 1, 2017, that includes the following elements:

- (1) A description of the National Guard Bureau formula and allocation of full-time manning and how that number relates to resource end strength; why states are currently equally funded at the headquarters, staff and senior controlled grade level.
- (2) Analysis and recommendations of a manning and end strength formula based upon an equitable formula as opposed to equally divided among states and territories, to include why states are not resourced at the paid end strength levels with full-time manning when requested to increase end strength by National Guard Bureau.

Report on the Purpose and Utility of a Registration System for Military Selective Service

The committee directs the Secretary of Defense to submit to the Senate Committee on Armed Services and the House Committee on Armed Service by July 1, 2017 a report on the current and future need for a centralized registration system for military selective service. The report under subsection shall include the following:

- (1) A detailed analysis of the current benefits derived, both directly and indirectly, from the Military Selective Service System, including:
 - (A) The extent to which mandatory registration benefits military recruiting;
 - (B) The extent to which a national registration capability serves as a deterrent to other nations.
- (2) An analysis of the functions currently performed by the Selective Service System that would be assumed by the Department in the absence of a national registration capability;
- (3) An analysis of the systems, manpower, and facilities that would be needed by the Department to physically mobilize inductees in the absence of the Selective Service System;
- (4) A detailed analysis of the Department's manpower needs in the event of an emergency requiring mass mobilization, including:
 - (A) A detailed timeline, along with the factors considered in arriving at this timeline, of when the Department of Defense would require:
 - (i) The first inductees to report for service;
 - (ii) The first 100,000 inductees to report for service;
 - (iii) The first medical personnel to report for service.
 - (B) An analysis of any additional critical skills that would be needed in the event of a national emergency, and a timeline for when the Department would require the first inductees to report for service.
- (5) A list of the assumptions used by the Department when conducting their analysis.

Review of Qualified Joint Tours

The committee commends the Department of Defense for its ongoing commitment to ensuring the interoperability of the joint force. The committee notes that operations conducted by the Department and the uniformed services at all levels of command are increasingly characterized by their joint nature. Accordingly, in light of the review of the Goldwater-Nichols Department of Defense Reorganization Act of 1986 (Public Law 99-433), the committee urges the Department to continue these efforts and directs the Secretary of Defense to provide a briefing to the Committee on Armed Services of the House of Representatives not later than December 1, 2016, on the composition of the Joint Duty Assignment List (JDAL) and recommendations for congressional action required to bring the current JDAL in line with the joint nature of the current force.

Suicide Prevention

The committee notes that the Department of Defense Inspector General report entitled "Assessment of DOD Suicide Prevention Process," dated September 30, 2015, made a series of recommendations to improve the Department's efforts to reduce the incidence of suicide in the U.S. military. The committee applauds the efforts by the Department of Defense and the military services to reduce suicide and improve prevention programs, but the committee believes that the Department can and should improve its efforts, based on the Inspector General's recommendations. Therefore, the committee directs the Secretary of Defense to provide a briefing to the House Committee on Armed Services not later than September 1, 2016, on the implementation of the recommendations made in the Department of Defense Inspector General's report.

Private-Public Partnership in Military Treatment Facilities

The committee is aware that there are significant challenges regarding access to health care on military bases particularly at smaller and mid-sized bases. The committee is committed to improving access to care at military treatment facilities (MTF) for military beneficiaries and to ensure the readiness of military medical providers. Therefore, the committee directs the Secretary of Defense to assess the feasibility of including private-public partnerships using contracted services to provide health care within MTFs. In conducting the assessment, the Secretary shall consider the benefit of providing additional services, not previously available at clinics, through the partnerships, hybrid models of privately contracted care with direct military oversight

providing services within the MTFs, potential costs savings by operating an MTF through the partnership, increased patient satisfaction, improved access to care measured by appointment availability and wait time, and overall improvement to service member medical readiness. Not later than December 1, 2016, the Secretary shall brief the Committee on Armed Services of the House of Representatives on the results of the assessment.

Oversight and Management of Defense-Wide Training

The committee notes that Department of Defense Directive 1322.18 pertaining to military training was last updated in January 2009. Since then, significant organizational changes within the Department have occurred, including the disestablishment of U.S. Joint Forces Command and the establishment of an Assistant Secretary of Defense for Readiness, directly affecting the oversight and management of defense-wide training policies, programs, and resources. The committee notes that section 4(d) of the Directive states that "The Department of Defense shall maintain a comprehensive and effective Service, Defense Agency, and joint training management capability to develop, execute, and assess military training throughout the Department." The committee is aware, however, that, since the disestablishment of U.S. Joint Forces Command, defense-wide training and training-related activities and programs have been dispersed throughout the Office of the Secretary of Defense, the Joint Staff, the military services, the combatant commands, and other defense organizations. The committee is concerned that such dispersal, combined with outdated policy guidance, has led to the ineffective oversight and management of defense-wide training and inefficient allocation of training-related resources. The committee believes that the Department should take a more holistic approach to managing the defense training enterprise to enhance the capability and readiness of the joint force, to include aligning the services' training investments to joint and common training needs, identifying opportunities for greater training integration and interoperability, and advancing innovative training methods and capabilities.

Therefore, the committee directs the Secretary of Defense, in consultation with the Chairman of the Joint Chiefs of Staff, to update Department of Defense Directive 1322.18. The committee further directs the Secretary and the Chairman to provide a briefing to the House Committee on Armed Services not later than December 1, 2016, on the status of the Department's efforts to update such Directive. The briefing should also address the following elements:

- (1) The scope of training programs, facilities, activities, and resources covered by the updated Directive;
- (2) The delineation of training roles and responsibilities among the Office of the Secretary of Defense, the Joint Staff, the military services, the combatant commands, and other relevant defense organizations;
- (3) An assessment of joint and common training requirements and the adequacy of current, planned, and programmed training capabilities, resources, and personnel to meet those requirements;
- (4) Any recommendations for improving the oversight and management of military training and related resources, including any recommendations for changes in authorities, budgeting structures, or organizational structures, including any recommendations for de-layering and consolidating defense-wide training organizations; and
- (5) Any other matters the Secretary determines to be appropriate.

Air Force Combat Search and Rescue Associate Units

The committee supports the National Commission on the Structure of the Air Force recommendation to expand the use of associate units, where appropriate. The committee notes, however, that none of the three Air National Guard combat search and rescue units in Alaska, California, and New York are associate units. Therefore, the committee encourages the Air Force to consider options for making these units active associate units under an appropriate organizational structure based on their local mission and operational demands. In addition, the committee directs the Secretary of the Air Force to provide a briefing to the Committee on Armed Services of the House of Representatives not later than March 1, 2017, on the potential options for transforming these units into associate units, including the potential cost, benefits, and challenges involved in each case.

Army and Joint Force Integration of Former Unmanned Aircraft System Center of Excellence Responsibilities

The committee notes that under the former Joint Forces Combatant Command (JFCOM), a Joint Center of Excellence for Unmanned Aircraft Systems (UAS) was established in 2005 by the Department of Defense at Creech Air Force Base, Nevada. A separate Unmanned Aircraft Systems Center of Excellence (COE) was established in 2008 by the Army at Fort Rucker, Alabama. The purpose of the UAS COEs was to establish organizations that could collaborate and create an environment among the military services that would foster unity of effort focused on all aspects of UAS requirements, system development, acquisition, testing, fielding, training, airspace integration, employment concepts, sustainment, interoperability, data dissemination, capability gaps, and shortfalls. Consequently, in 2010 when JFCOM was disestablished by the Secretary of Defense, both the Joint COE and the Army COE were subsequently disestablished. The committee understood at the time that all the responsibilities of the Joint COE would be divided between the Joint Staff J-8 Directorate for Force Structure, Resources, and Assessment, and the Department of Defense UAS Task Force. The committee further understood that all the responsibilities of the Army COE would be absorbed within the Capabilities Development and Integration Directorate of the Army's Aviation COE at the Army's Training and Doctrine Command. Although the committee has been assured by the Department that all aspects of the UAS COEs that were disestablished were reabsorbed into the aforementioned organizations, the committee seeks to gain a further understanding regarding particular aspects of UAS issues. Therefore, the committee directs the Secretary of the Army to provide a briefing to the House Committee on Armed Services, not later than October 1, 2016, that explains:

(1) How the Army plans to grow resources and facilities to support the expansion of UAS orbits through 2030;

(2) How increased Army UAS operations will fit into joint and executive branch interagency operations; and,

(3) How the Army plans to mitigate frequency encroachment on test and training ranges.

The committee also directs the Chairman of the Joint Chiefs of Staff to provide a briefing to the House Committee on Armed Services, not later than October 1, 2016, that explains how the role, mission, and responsibilities of the former Joint UAS COE were absorbed into the governance architecture of the J-8 Directorate of the Joint Staff, and provide an assessment to the committee regarding the benefits and challenges of those responsibilities being executed within the J-8 Directorate.

Recommendations of the National Commission on the Future of the Army

The committee notes that Congress established the National Commission on the Future of the Army (NCFA) in the National Defense Authorization Act for Fiscal Year 2015 (Public Law 113-291). The primary purpose of the NCFA was to address two major concerns:

(1) How the Army should best organize and employ the Total Force in time of declining resources; and

(2) Whether the Army should proceed with the transfer of AH-64 Apache aircraft from the Reserve Components to the Regular Army as directed by the Army's aviation restructure initiative.

In its final report, the NCFA made 63 recommendations that were directed to the President, Congress, Department of Defense, Joint Staff, combatant commands, and the Army. In considering these recommendations, based on the underlying law that established the NCFA, the commission was instructed to take into account "anticipated mission requirements for the Army at acceptable levels of national risk and in a manner consistent with available resources and anticipated future resources." Consequently, the commission presumed a budget request level for fiscal year 2016, and its recommendations assumed that a total Army force of 450,000 in the Regular Army, 335,000 in the Army National Guard, and 195,000 in the Army Reserve could not be increased. Furthermore, all recommendations with funding implications assumed that the Army would have to take risk and make internal trades to resource the recommendations, as well as assumed that Congress would not provide additional resources across the Future Years Defense Program.

The committee commends the efforts of the commissioners and their staff for the on-time completion of the NCFA report and associated recommendations. In general, the committee is supportive of many of the commission's recommendations; however, the committee requires additional information from the Department of Defense and the Army, as well as more time for sufficient review in order to make informed decisions regarding most of the recommendations made by the NCF A. Of these recommendations, the committee supports the recommendation to retain 4 Apache attack helicopter battalions in the National Guard and an 11th combat aviation brigade in the Regular Army. The committee expects the Army to plan and program accordingly based on available resources across the Future Years Defense Program. The

committee is also supportive of a permanent combat aviation brigade in the Republic of Korea, a permanent armored brigade combat team presence in Europe, and increasing armored brigade combat team capacity in the Army. The committee is also supportive of the recommendation to consolidate Army marketing functions under the authority of the Army Marketing Research Group to eliminate redundancy and gain unity of effort. The committee is not supportive, however, of any recommendation that would reduce the Army's current force structure or use reductions in combat force structure as offsets to resource any recommendation.

Elsewhere in this Act, the committee includes a provision that would address the commission's recommendations focusing on Army modernization capability and capacity shortfalls, as well as alternative Army force designs and modeling. Therefore, the committee directs the Secretary of Defense, the Chairman of the Joint Chiefs of Staff, and the Chief of Staff of the Army, to provide a written assessment of all of the NCFA recommendations that are within such official's respective jurisdiction to the congressional defense committees by December 1, 2016. The committee expects the Army's written assessment to be separate, and include comments from the Chief of the National Guard Bureau. The respective assessments should include, but not be limited to, the following:

- (1) Whether the recommendation is agreeable;
- (2) Potential implementation plans for those recommendations, to include resource options and timelines;
- (3) Costs anticipated in execution of those implementation plans; and
- (4) Any legislative assistance required.

State Partnership Program Activities in Ukraine

The committee supports the role of the State Partnership Program (SPP) in Department of Defense security cooperation efforts, including in activities to assist Ukraine. The National Defense Authorization Act for Fiscal Year 2016 (Public Law 114-92) authorized the National Guard to conduct SPP activities with security forces and governmental organizations of a foreign country whose primary functions include disaster response or emergency response, if the Secretary of Defense, with the concurrence of the Secretary of State, determines and notifies Congress that the activity is in the national security interest of the United States. The committee is aware of delays in making determinations that would permit the National Guard to carry out SPP activities with Ukrainian security forces or with governmental organizations whose primary functions include disaster response or emergency response. The committee encourages the Secretary of Defense and Secretary of State to facilitate timely execution of such determinations, as appropriate.

National Guard and Reserve Component Equipment Account

The budget request for Overseas Contingency Operations contained no funding for a National Guard and Reserve Component equipment account. Elsewhere in this Act, the committee notes that the base budget request contained \$3.0 billion for procurement of National Guard and Reserve Component equipment. Given the uncertainty of the current and projected fiscal environment, the availability of equipment needed to sustain and modernize the National Guard and Reserve Components as an operational reserve and for their domestic support missions remains a concern. The committee recognizes the National Guard and Reserve Components continue to report significant equipment shortages in modernized equipment and challenges associated with efficiently fulfilling combat readiness training requirements. For example, the committee notes there are significant modernization, capability, and training challenges associated with the current Air National Guard aircraft assigned to the Aerospace Control Alert mission, and those aircraft crews maintaining proficiency and readiness in other mission areas critical to full-spectrum combat readiness. The committee also notes the Army National Guard continues to experience modernization shortfalls in utility rotorcraft and heavy lift rotorcraft.

The committee believes additional funds would help eliminate identified shortfalls in the areas of critical dual-use equipment. The committee expects these funds to be used for the purposes of, but not limited to, the procurement of rotorcraft, avionics and radar upgrades for legacy strike fighter aircraft, wheeled and tracked combat vehicles, tactical wheeled vehicles, ammunition, small arms, tactical radios to include single channel ground and airborne radio systems, non-system training devices, logistics automation systems, sense and avoid system upgrades for unmanned aerial systems, civil support communication systems, hail and warning escalation of force systems, out of band infrared pointer and illumination systems, near infrared aiming and

illumination systems, crashworthy, ballistically tolerant auxiliary fuel systems, Engagement Skills Trainer II systems, F-16 distributed operations mission training centers, mobile ad hoc network emergency communications equipment, and other critical dual-use, unfunded procurement items for the National Guard and Reserve Components. The committee recommends additional funding for a National Guard and Reserve Component equipment account within the Overseas Contingency Operations budget request. The committee also recommends \$3.0 billion, the full amount of the base budget request, for National Guard and Reserve equipment.

Cyber Training Equivalency

The committee is aware that the Department of Defense is in the process of rapidly expanding the cyber workforce in order to man the 133 teams of the cyber mission force. As articulated by the Commander of U.S. Cyber Command, the committee recognizes that a significant bottleneck in that process is the training pipeline. The committee believes that the Department should be looking for opportunities to help diversify the training pathways available to all members of the cyber mission team workforce, in order to more quickly and efficiently bring team members up to operational capacity. The committee believes that diversification can take many forms, such as utilization of Reserve Officer Training Corps courses, military academies, public-private partnerships with universities and other training providers, and senior leader military academies. The committee also believes that to make those other training pathways effective, the Department needs to have a robust process for determining equivalency, so that it is clear when those other avenues can be used to meet the currently defined joint training standard. The committee is concerned that the immaturity of that equivalency process may be further slowing up the training pipeline. Therefore, the committee directs the Secretary of Defense to provide a briefing to the House Committee on Armed Services by January 30, 2017, on the training equivalency process for the Department. This briefing should address how the Department makes recommendations on equivalency for members of the active and reserve components, as well as for civilian team members. Specifically, this briefing should include:

- (1) What is the decision making chain for making equivalency decisions?
- (2) How does the Department communicate standardized courses that are eligible for equivalency?
- (3) When equivalency is denied, what is the feedback loop to communicate those decisions back to affected personnel?
- (4) What is the process for remediation for service members to determine what actions might be taken to gain equivalency certification?

Review of Dual-Hatting Relationship

The committee is aware that U.S. Cyber Command (CYBERCOM) was established with an intertwined relationship with the National Security Agency (NSA) to help improve resourcing and decision making in this domain by unifying those organizations. The committee believes that making the Commander of U.S. Cyber Command and the Director of the National Security Agency a single individual made sense in 2010 in order to mature CYBERCOM quickly and prevent duplication of resources or lack of coordination. Elsewhere in this Act, the committee includes a provision that would establish CYBERCOM as a combatant command under the Unified Command Plan. Therefore, the committee believes it is timely to reassess the dual-hat relationship. For example, the committee is concerned that with a dominant focus on cyber activities, other responsibilities of the NSA, such as signals intelligence and communications security, may not be gain adequate focus and attention. The committee is also aware that during the civilian workforce furloughs that took place in 2013 there were impacts on NSA employees supporting CYBERCOM that were not felt by NSA as a whole. The committee is also concerned that proper internal and external oversight of the two organizations' roles and responsibilities will become increasingly difficult to distinguish and manage the more cyber is operationalized, especially as it pertains to NSA's collection and other activities in support of national and Departmental priorities for foreign intelligence and counterintelligence, and CYBERCOM's intelligence activities to support cyber operations.

Therefore, the committee directs the Secretary of Defense to provide a briefing to the House Committee on Armed Services by November 1, 2016, on a review and assessment of the dual-hat relationship for CYBERCOM. This review should include the following:

- (1) Roles and responsibilities, including intelligence authorities, of each organization;

- (2) Assessment of the current impact of the dual-hat relationship, including both advantages and disadvantages;
- (3) Recommendations on courses of action for separating the dual-hat command relationship between the Commander of CYBERCOM and the Director of the NSA, if appropriate;
- (4) Suggested timelines for carrying out such courses of action; and
- (5) Recommendations for legislative actions as necessary.

Combat Aviation Hangar Sustainment

The committee is concerned that the Army's aging maintenance hangars that support its combat aviation units have not been sustained to the level necessary to meet minimal operational requirements at the Combat Aviation Brigades. The committee recognizes that there is a requirement for the Army to develop an integrated combat aviation maintenance infrastructure modernization plan to account for the operational needs informed by future basing and the Aviation Restructure Initiative. Therefore, the committee directs the Secretary of the Army to provide a briefing to the House Committee on Armed Services not later than February 1, 2017, on the current condition of the Army's Combat Aviation hangar infrastructure. At a minimum, the briefing should provide a list of the locations and facilities where combat aviation hangars have a facility index rating below 80, the required cost and scope of work required to restore the facilities, and the extent to which the degraded facilities pose a risk to maintenance crews, a hazard to aircraft, and have an adverse impact on military readiness.

Air Force Remotely Piloted Aircraft Stationing, Basing, and Laydown Selection Process

The committee believes that the military departments' selection process for stationing, basing, and laydown decisions for units and missions should remain transparent, repeatable, and defensible in nature. The committee is supportive of the Air Force's strategic basing process and believes that it provides a thorough, consistent, and transparent process for basing decisions. With respect to basing decisions for remotely piloted aircraft (RPA), the committee believes that the Air Force should assess the ability of a military installation and its associated or adjacent training areas to support the unit or mission, the capacity of a military installation to accommodate the unit or mission, the costs associated with the stationing, basing, or laydown action, and encroachment and environmental considerations. Further, the committee is supportive of basing criteria that leverage available Air Force infrastructure and existing quality of life and base support facilities, and pairs RPA units with related missions.

SENATE REPORT 114-255

UH-1N helicopter replacement program

The budget request included \$18.3 million in Aircraft Procurement, Air Force (APAF), for the UH-1N helicopter replacement program. This program is intended to replace the over four decade old helicopters currently in use for rapid security response team missions on the Air Force's intercontinental ballistic missile fields. These aircraft are growing increasingly unreliable due to approaching the end of their service lives, are more costly to maintain, and do not meet the minimum requirements necessary for the missile field security mission. The committee believes the Air Force's proposed approach to procure HH-60 helicopters from the U.S. Army's current multi-year procurement contract, under The Economy Act of 1932, Title 31, United States Code, sections 1535 and 1536, represents the most prudent method to rapidly field the necessary capability, leverages the Air Force's existing organic depot maintenance and supply chain for their current HH-60 and future Combat Rescue Helicopter fleets, avoids costly and lengthy development and testing of a completely new and different aircraft, and decreases both Army and Air Force aircraft procurement unit costs through economic order of quantity. Therefore, the committee recommends an increase of \$302.3 million in APAF for the procurement of eight HH-60 Blackhawk aircraft and initial spares and support equipment.

Bradley Fighting Vehicle Transmission Competition

The committee is aware that the U.S. Army is testing an alternative transmission for the family of Bradley Fighting Vehicles, which includes the Armored Multipurpose Vehicle (AMPV) and Paladin Integrated Management (PIM) programs. Assuming a successful test, the committee understands that the Army will assess the cost and benefits of an alternative transmission and then conduct a full and open competition to integrate a new transmission into the family of Bradley Fighting Vehicles. The committee notes that the Fiscal Year 2017 budget request does not include funding to support the alternative transmission strategy. Therefore, the committee directs the Secretary of the Army to provide the Committees on Armed Services of the Senate and House of Representatives a report on the full and open competition for the family of Bradley Fighting Vehicle transmissions. The required report must be submitted no later than January 15, 2017, and include details regarding the Army's test report on the alternative transmission, the acquisition strategy and schedule, and the funding plan to support the competition.

C-130 engine enhancements

The committee recognizes energy usage, specifically fuel consumption by the Air Force, continues to represent an overwhelming portion of Air Force operations and maintenance costs. To find ways to reduce fuel costs, the Air Force commissioned a study in 2006, funded industry research and development, and began an Engine Enhancement Program. These efforts result in increased service life and fuel economy of the T56 engine, and improved operational performance of the C-130H aircraft, to include increased cargo capacity and range, as well as reduced takeoff distances Congress authorized and appropriated funding to procure and install T56 3.5 engine upgrades in previous fiscal years. The committee notes the T56 3.5 Engine Enhancement Program is included in the Air National Guard's 2015 Weapons Systems Modernization Priorities as a "significant major item shortage." The committee strongly encourages the Air Force to continue ongoing testing of the T56 3.5 engine upgrade and other C-130 propulsion system improvements to demonstrate capability improvements and fuel savings, and ultimately achieve reduced operations and sustainment costs.

F-16 mission training centers

The committee recognizes the ability to execute decisive air warfare requires realistic training. Various types of required real-world training activities are seldom conducted at Air National Guard bases due to limited availability of assets (i.e., lack of availability of dedicated adversary aircraft, realistic low level airspace for low altitude intercepts or engagements, and supersonic ranges). This lack of real-world training capability can be offset with modern and up to-date live, virtual, and constructive technologies available today. The committee fully supports and encourages Air Force and Air National Guard efforts to field additional F-16 block 40/50 Mission Training Centers (MTC) that remotely connect to virtual networks to perform enterprise-wide training and mission rehearsal across diverse geographical locations. Additional MTC locations would provide Air National Guard aircrews the necessary continuity of training between live and virtual scenarios required to attain and sustain full combat mission readiness while reducing operations tempo, flying hour, and travel costs.

High Mobility Multipurpose Wheeled Vehicle (HMMWV) ambulance

The committee recognizes the critical medical ground evacuation mission role filled by the High Mobility Multipurpose Wheeled Vehicle (HMMWV) ambulance. The committee is concerned that the Army's current fleet of HMMWV ambulances in the active component is exceeding the expected useful life of the vehicle. Therefore, the committee directs the Army to develop a plan to deliver the next generation M997 A3 HMMWV ambulances focused on enhanced reliability and crew protection to accomplish their lifesaving mission. The committee supports the Army's ongoing requirement to maintain a HMMWV ambulance fleet capable of meeting the continued and varied mission roles for both the active and reserve components. The committee is aware of the successful effort underway to modernize the HMMWV ambulance fleet for the Army National Guard and Army Reserve through the procurement of state-of-the-art HMMWV ambulances. The committee believes this model warrants consideration in order to field the maximum quantity of vehicles as expeditiously as possible.

Radiation detection technology

The Committee is encouraged that the Army National Guard recently placed an order to help fill a shortfall in modern radiation detection devices. The committee is concerned, however, that shortfalls in fielding the most current radiation detection devices, specifically personal dosimeters, continue to exist, and most notably within the Army. To ensure our troops and domestic homeland first responders are provided with the best possible protection to monitor against nuclear exposure, the Committee strongly encourages the Department to expedite and complete the fielding of modern radiation detection equipment, specifically personal dosimeters, across the force.

Report on disposition options for previously modified C-130H Avionics Modernization Program (AMP) aircraft

The committee is encouraged by the Air Force's progress in the restructured C-130H Avionics Modernization Program (AMP) Increments 1 and 2. The Air Force appears to have a solid path forward for AMP Increment 1 to upgrade all C-130H aircraft with safety upgrades, as well as airspace access compliance modifications by the deadline of January 1, 2020. The committee is also encouraged by the planned acceleration of the AMP Increment 2 phase well before the previously anticipated fiscal year 2042 completion date, moving estimated fleet completion forward to fiscal year 2028. The committee is concerned with the funding and manpower resources required to maintain the five previously modified C-130H AMP aircraft at their current location. The committee understands that again modifying the previously modified C-130H AMP aircraft into the restructured AMP Increments 1 and 2 configuration is likely cost-prohibitive. Therefore, the committee directs the Secretary of the Air Force to provide a report to the Committees on Armed Services of the Senate and the House of Representatives, not later than December 1, 2016, on:

- (1) The anticipated annual resource requirements for fiscal year 2017 and beyond to maintain the aircraft in their current status and location;
- (2) Potential options, including feasibility and costs, for declaring the five aircraft as excess to military requirements and; (a) opportunities for transfer to other government agencies; (b) foreign military sales; (c) sales to private entities; or (d) any combination of the options in subparagraphs (2)(a), (2)(b), and (2)(c);
- (3) Other disposition options.

Advertising activities among the military service components

The committee understands that as part of its efforts to meet yearly military recruitment goals, the Department of Defense (DOD) requested almost \$575.0 million for fiscal year 2017. The committee notes that preliminary findings from the Government Accountability Office (GAO) indicate that DOD has taken steps to coordinate some advertising activities among the military service components, but it has not developed a formal process for coordination and addressing inefficiencies to ensure information sharing among the services. The GAO found examples of possible unnecessary duplication, overlap, and fragmentation that may result from the absence of coordination. For example, the Air Force has three advertising programs that contract with three advertising agencies, but officials could not provide a rationale for requiring separate programs. The committee also notes that the GAO found the military service components vary in their ability to determine whether their activities are generating leads for potential recruits. For example, while the Marine Corps has developed a framework to assess the effectiveness of its advertising including leads generated from advertising activities at the local level, Army officials stated they do not have reliable data to evaluate whether locally executed advertising activities are generating leads, and the Army National Guard does not require state units to report on the performance of their advertising activities. The committee concurs with the GAO finding that without fully measuring advertising performance, especially at the local levels, DOD may be unable to ensure advertising dollars are used efficiently and effectively to help meet recruiting goals.

Comprehensive review of the Army sustainable readiness model

The committee notes that the Army is redesigning its process for generating forces with a goal of having units that are able to sustain a desired level of readiness over longer periods of time when not deployed on a given mission, called the sustainable readiness model (SRM). The committee understands that the SRM will rotate forces through a cycle of deployments over time, just as the Army did under the previous force generation concept, the Army force generation process (ARFORGEN). However, unlike ARFORGEN, the committee understands that SRM will have a tiered aspect that will ensure that some capabilities and unit

types will be resourced to a higher readiness level than others. The committee notes that the Army's objective is to have 66 percent of the active component force in a Category 1 or 2 ready status at any moment in time to rapidly respond to a major contingency, however, the Army has not yet determined exact readiness goals for the Army National Guard and Army Reserve. The Chief of Staff of the Army has directed that the SRM be implemented by fiscal year 2017. The committee is concerned that implementing SRM will require fundamental shifts in how the Army organizes, trains, equips, and manages the force. Among other things, the Army will need to ensure that a unit's collective training events, command changes, and personnel rotations are well synchronized, and that units returning from deployment do not suffer significant and abrupt personnel transfers that prevent them from redeploying on short notice to meet unforeseen demands. Over the next 12 months, the Army also will need to establish and codify the roles, responsibilities, and processes for coordinating these force management actions across the total Army, and for making the resource allocation decisions needed to implement SRM as the Army intends.

To inform committee oversight of the Army's plan to fundamentally restructure its force generation process, the committee directs the Comptroller General of the United States to conduct a comprehensive review of the Army's SRM force generation concept. The assessment that supports this review should compare and contrast SRM with ARFORGEN, including similarities and differences in the goals, objectives, resource requirements, and supporting force management processes. Additionally, the review shall provide the Comptroller General's assessment on the Army's goals, plans, and progress for implementing sustainable readiness, including: (1) The Army's governance of the transition to and implementation of the SRM concept; (2) the readiness goals and resources required to sustain readiness; (3) potential changes to the Army's processes for manning, equipping, and training forces in order to support Sustainable Readiness; and (4) any other aspects of the sustainable readiness concept the Comptroller General deems significant.

The committee directs that the Comptroller General should provide a briefing of preliminary findings of the review to congressional defense committees by February 15, 2017, followed by one or more reports no later than April 1, 2017.

Encouraging the use of the Innovative Readiness Training (IRT) program

The committee is aware of the readiness challenges facing the Armed Forces due to the constraints put forth by sequestration. Additionally, the committee is aware of the Innovative Readiness Training (IRT) program, which contributes to military readiness and provides realistic training in a joint environment for National Guard, Reserve, and Active-Duty members, preparing them to serve during a national crisis at home or abroad. Examples of IRT activities include, but are not limited to, constructing rural roads and airplane runways, small building and warehouse construction in remote areas; transportation of medical supplies, and military readiness training in the areas of engineering, health care and transportation for under-served communities.

The committee understands the IRT program offers complex and challenging training opportunities for domestic and international crises. The committee is also aware that states that utilize the IRT program include Alabama, Alaska, Arizona, Arkansas, California, Colorado, Florida, Hawaii, Indiana, Kentucky, Louisiana, Maine, Mississippi, Missouri, Montana, Nebraska, New Mexico, New York, North Dakota, Ohio, South Dakota, and Texas. The committee strongly encourages the Department of Defense to continue to fully utilize IRT programs that provide hands-on and mission-essential training and that are available to active, reserve and National Guard forces.

Modernization of emergency power generation

The committee notes that the emergency power generation systems frequently used in Army National Guard armories can be plagued by unreliable operation in addition to high operation and maintenance costs. The committee notes that the Army has plans and programs in place to address the operational requirements, technological opportunities, and industrial base challenges associated with the strategic goal of a net zero energy, water, and waste policy.

Accordingly, the committee directs the Secretary of Defense to report to the congressional defense committees no later than March 1, 2017 with a comprehensive strategy, including a development and implementation plan that replaces or improves emergency power generation readiness, reduces system maintenance, and improves fuel flexibility to ensure the sustainability of all Department emergency power generation systems in operation.

Study on power storage capacity requirement

The committee directs the Secretary of Defense to report to the congressional defense committees no later than March 30, 2017 on the costs and benefits associated with requiring 25 percent of National Guard and Reserve facilities to have at least a 21-day onsite power storage capacity to assist with providing support to civil authorities in case of manmade or natural disasters.

Employment of members of the National Guard, Reserves, and veterans of the Armed Forces

The committee remains concerned about members of the National Guard, Reserves, and veterans of the Armed Forces finding civilian employment. The committee recognizes that the Secretary of Defense, in coordination with the Department of Labor and the Department of Veterans Affairs, will submit this year to the Committees on Armed Services of the Senate and House of Representatives a report required by section 583 of the Carl Levin and Howard P. “Buck” McKeon National Defense Authorization Act for Fiscal Year 2015 (Public Law 113–291), on the feasibility of improving the efforts of the Department of Defense to provide job placement assistance and related employment services to members of the reserve components. The committee is committed to reviewing that report and taking any recommended actions to improve the processes by which members of the National Guard, Reserves, and veterans of the Armed Forces may find and obtain civilian employment.

Transition Assistance Program and reserve component members

The committee is concerned that the Transition Assistance Program (TAP) sometimes fails to meet the unique needs of National Guard and Reserve members returning from an active-duty deployment, especially the needs of those who have deployed, and transitioned, multiple times, which oftentimes results in an unnecessary duplication of TAP required attendance. The committee directs the Secretary of Defense to collect data about National Guard and Reserve members’ transition experiences and to make recommendations to the committee on how to better serve the transition needs of this population, or alternatively to suggest a transition program specifically designed for the National Guard and Reserve.

Amendment on National Guard Apache recommendations

The committee recognizes the efforts of the commissioners and staff for their completion of the National Commission on the Future of the Army (NCFA) report and recommendations. Among other recommendations, the committee supports the recommendation of the NCFA to retain four Attack Reconnaissance Battalions (ARBs) in the National Guard as part of the Aviation Restructuring Initiative. The committee believes that this approach achieves the right balance in addressing the Army’s current needs and providing the strategic depth of Army Aviation in the Army National Guard. The committee expects the Army to plan and program accordingly based on available resources across the Future Years Defense Program.

Arctic Search and Rescue

The committee is aware of the expanding access to the Arctic region due to diminishing sea ice, including an increase in shipping traffic along the Northern Sea Route, the Northwest Passage, and potentially, a transpolar route. The committee is concerned with the limited capabilities of the United States to conduct search and rescue operations throughout the Arctic region. The committee understands the Alaska National Guard has developed an airdropped, palletized, Arctic Sustainment Package (ASP) to enable the survival of twenty-five individuals for three days in harsh Arctic conditions. This package is deployable over vast distances—both over water and over land—and is suitable to sustain life in the High Arctic environment. The Alaska National Guard currently possesses two ASPs, but additional units could be beneficial. Therefore, the committee directs the Secretary of Defense to develop a plan for identifying Arctic search and rescue requirements, resourcing such capabilities, including those like the ASP, and developing the tactics,

techniques, and procedures required to employ these capabilities. The committee directs the Secretary to provide both a written plan and briefing to the congressional defense committees no later than 180 days following the enactment of this Act.

Army Modernization Strategy

The committee directs the Chief of Staff of the United States Army to develop a comprehensive modernization strategy for the total Army. This strategy should explicitly address the Army's vision, end-state, key objectives, war fighting challenges, and risks. It should be sufficiently descriptive to drive requirements, set priorities, identify opportunity costs, and establish time lines. The committee assesses that a comprehensive strategy would give strategic purpose to existing acquisition programs and branch specific strategies. It could also provide the Army an understanding of potential long term costs beyond the future year defense program and aid in the decision-making process to terminate unneeded or underperforming programs. The committee directs this strategy to be submitted with the Presidential Budget for the National Defense Authorization act for Fiscal Year 2018. The committee is concerned the Army is woefully behind on modernization. The committee believes the Army must modernize for the harsh realities of 21st century warfare. Our soldiers must be trained, organized and equipped for an increasingly diverse and complex range of threats. They must be able to win against peers in highly lethal, combined arms maneuver; against near peers in hybrid warfare conditions; and against determined, unconventional insurgents. The committee notes other armies, including potential adversaries, are modernizing at a rapid pace.

The committee notes that the Army has published numerous strategies for specific programs such as small arms, tracked combat vehicles, wheeled vehicles and aviation. Yet the Army does not possess an all-encompassing modernization strategy that provides purpose and priority to the above. Given that the Army expends tens of billions of dollars on procurement, research, development, testing and evaluation each year, the committee views a comprehensive Army modernization strategy as essential. The committee acknowledges the Army remains engaged in active operations across the world and accordingly has made readiness its first priority. However, the committee assesses modernization as a critical requirement for readiness in the very near future. Modernizing while supporting operational demands is not easy, but it has been done before. Army leaders like General Abrams transformed the Army before. They restored the discipline and morale of the force in the aftermath of the Vietnam War. They transitioned the Army to an All-Volunteer Force while revolutionizing training doctrine. And they built an Army that won the Cold War and removed Saddam Hussein from Kuwait.

Predictable Funding for the National Guard Counterdrug Program

The National Guard Counterdrug Program (NGCP) is a federally-funded program that provides military-specific skill-sets to law enforcement agencies and community based organizations to battle the supply and demand for illicit drugs. Reductions in funding and the timing of funding continues to be a limiting factor for the NGCP. Such factors impede the effective sustainment of relationships with supported agencies and impacts the retention of highly-trained individuals. The committee directs the Under Secretary of Defense (Comptroller) to work with the National Guard to develop a process to ensure more consistent and predictable funding to mitigate gaps or delays. The committee expects that this effort should result in increased predictability of funding, improve long-term planning, stabilize analytic support to law enforcement agencies, increase flexibility to respond to emerging drug-related threats, reduce repetitive initial training and ramp up of personnel, and the ability to continue mission support without interruption.

Inclusion of the Army National Guard Cyber Protection Teams in the Department of Defense Cyber Mission Force

In 2016, the National Guard Bureau announced the establishment of ten Army National Guard Cyber Protection Teams (CPTs). The Army did not include these teams in the forces that the Army would provide for the Department of Defense Cyber Mission Force (CMF), while the Air Force did include its National Guard CPTs in its force presentation plans. However, the committee understands that the Army is quite close to a decision that these CPTs will become part of the overall Army CMF. The committee requests that the Commander of Army Cyber Command and the Chief of the National Guard Bureau determine, prior to conference on the National Defense Authorization Act for Fiscal Year 2017, how the Army National Guard

CPTs will be incorporated into the CMF. This determination should include a timeline for integration, a description of the teams' mission sets, how they will be funded, when they will be trained and what additional authorities might be necessary to allow them to carry out Title 32 missions in support of state and civil operations. The committee was disappointed to see that training for these CPTs was not funded in the budget request for fiscal year 2017 and requests that appropriate steps be taken to fund the teams in fiscal year 2017 prior to conference.

Cyber implementation at the combat training centers

The committee recognizes and is strongly encouraged by the cyber training support to corps and below (CSCB) pilot program implemented through the cyber opposing forces support during every Joint Readiness Training Center and National Training Center rotation. The committee understands that the CSCB pilot prepares combat training centers (CTC) to execute cyberspace operations and is intended to inform Army-wide doctrine, organization, training, materiel, leadership and education, personnel, and facilities development. The committee further understands that any future changes in the cyber force will be informed through the CSCB pilot, subsequent lessons learned, and the 2016 CTC Program Comprehensive Review, which will conduct an analysis for increased contested cyberspace activity at the CTCs.

Defining readiness and interoperability for commercial carriers

The committee notes that the National Airlift Policy (NAP) was established to ensure that military and commercial air carrier resources are able to meet defense mobilization and deployment requirements. The committee further notes that section 5 of the NAP states, "Consistent with the requirement to maintain the proficiency and operational readiness of organic military airlift, the Department of Defense (DOD) shall establish appropriate levels for peacetime cargo airlift augmentation in order to promote the effectiveness of the Civil Reserve Air Fleet (CRAF) and provide training within the military airlift system." The committee further notes that section 9517 of title 10, United States Code, states, "[I]t is the policy of the United States to maintain the readiness and interoperability of Civil Reserve Air Fleet carriers by providing appropriate levels of peacetime airlift augmentation to maintain networks and infrastructure, exercise the system, and interface effectively within the military airlift system."

The committee is concerned, however, that there is no clear definition of what constitutes "readiness" or "interoperability" in regard to commercial carriers. The committee understands that this has led to misunderstandings about how best to promote the effectiveness of the CRAF and what constitutes training within the military airlift system. The committee also recognizes that the absence of definitions has resulted in different assessments of what level of commercial augmentation is sufficient to meet DOD's readiness and interoperability requirements. The committee notes that according to DOD's Report, as mandated by the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114-92), commercial augmentation levels will remain well above the minimum required for readiness and interoperability for the foreseeable future. The committee believes, however, a definition of readiness and interoperability, with associated metrics, would help determine if the level of commercial augmentation is achieving the intent of the National Airlift Policy and title 10. The committee notes this will provide a more realistic assessment of the ability of commercial carriers to operate within the military airlift system. Accordingly, the committee directs the Secretary of Defense to develop definitions of readiness and interoperability for CRAF and suitable metrics to determine that readiness and interoperability are achieved, to include an explanation of the weighting of ground based activities, as specified in the "Level of Readiness of CRAF Carriers", and engagements versus level of commercial aircraft activity at DOD aerial ports. In determining those definitions, the committee directs the Department to consult with its CRAF partners through its semi-annual meetings and other forums. Additionally, the committee directs the Department to include those definitions and metrics in the next "Level of Readiness of CRAF Carriers" report to Congress due concurrently with the submission of the President's budget for fiscal year 2018.

Expanding the number of younger cyber security professionals on Department of Defense contracts

The committee is concerned that current labor category practices on Department of Defense (DOD) contracts may unnecessarily discriminate against younger cyber security professionals. These workers are often the best and brightest workers in the cyber security field but the committee has been informed that they are

finding it increasingly difficult to be included on contractor teams to address DOD cyber security needs. This is because in many cases DOD procurement officials are requiring specific tenure requirements for the contracting workforce and younger workers do not have the years of experience required by these labor category requirements. While the Department rightly desires to have experienced scientists and engineers working on federal contracts, by not including or funding labor categories for students, interns, co-ops, and recent college graduates in the cyber security field it may be eliminating some of the most promising software developers from being considered for work on a DOD contract. The committee believes that Silicon Valley companies would not make such a mistake. Another possible strategy for the Department to pursue would be to forgo specific labor category requirements and write performance specifications that would allow contractors to bring together the best team that they see fit to address the cyber challenge. To inform the committee on the best path forward to address acquisition policy in these situations, the committee directs the Principal Cyber Advisor to the Secretary of Defense to assess current approaches to accessing the next generation of cyber professionals on DOD contracts and brief the committee on how labor categories are being used to contract for cyber security support, an identification of current best practices for cyber support acquisition, and any recommendations necessary to more adequately address the cyber security contracting workforce

Objective training readiness reporting

The committee is aware that some of the military services have efforts underway to establish objective and uniform standards to measure the training readiness of military forces. The committee notes, for example, that the Army is standardizing lists of mission essential tasks for like units below the brigade level and developing objective evaluation criteria that commanders will use to evaluate unit training against these critical tasks. The committee further notes that according to Army senior leadership, these initiatives will facilitate accurate and uniform readiness evaluations and enable the service to make risk-informed resourcing and force allocation decisions. The committee notes that these initiatives to more objectively evaluate training readiness may continue the practice of giving commanders the flexibility to subjectively upgrade or downgrade the overall readiness of their units in certain circumstances based on the commander's judgment in light of a mission analysis, among other factors. While recognizing that commanders may require some degree of flexibility in assessing their units' training readiness based on subjective factors, the committee stresses the importance of accurate readiness reporting and encourages all of the military services to define objective and uniform standards to assess training readiness. Accordingly, the committee further encourages the military services to limit the use of subjective readiness upgrades, which could mask the department's progress transitioning from a force trained to conduct counterinsurgency operations to one trained for a broader range of military operations. The committee will continue to monitor the military services' development of objective and uniform standards to evaluate training readiness and may direct further action, including limiting the use of subjective upgrades, if these standards are not fully utilized in readiness reporting.

Rebuilding readiness

The committee notes that due to the consistent high pace of operations coupled with significant downsizing of some of the military services, the past decade has witnessed a disturbing decline in readiness. The Department of Defense (DOD) has stated that rebuilding readiness is one of its overarching priorities and submitted to Congress plans for readiness recovery last year. However, preliminary work from the Government Accountability Office evaluating DOD's efforts to rebuild readiness shows that DOD lacks comprehensive readiness goals or a strategy for achieving those goals. Therefore, the committee has grown increasingly concerned about the state of military readiness and whether DOD has a viable plan for rebuilding it. To inform its oversight, the committee directs DOD to submit a detailed plan to the congressional defense committees for rebuilding readiness by September 30, 2016. DOD's plan should, at a minimum, include: comprehensive readiness goals and a strategy for achieving the goals; metrics for measuring progress at specific milestones; identification of external factors that may impact recovery plans and potential mitigations; and plans for Department-level oversight of service readiness recovery plans including methods for evaluating the effectiveness of readiness recovery efforts. The committee further directs the Comptroller General of the United States to evaluate DOD's plan for rebuilding readiness and provide a briefing to the Committees on Armed Services by February 1, 2017 on any preliminary findings

with a report to the congressional defense committees to follow no later than May 1, 2017. In evaluating DOD's readiness recovery plan, the Comptroller General should consider the extent to which DOD's plan addresses the root causes of degraded readiness; and he may, at his discretion and in consultation with the committee, provide additional reports that address these root cause issues in more detail. Specifically, he should consider doing a detailed evaluation of different options for approaching readiness and the consequences of each option. In the past, DOD has varied its approach to the way it collects and reports readiness—applying uniform policies and practices across DOD in some cases, while providing the military services and combatant commands wide latitude and flexibility in other cases. Additionally, DOD has varied: the way it applied plans and scenarios to determine force structure and readiness requirements and the way it has managed personnel tempo in mobilizing and deploying its forces. The different approaches to these, and other, areas can directly affect: readiness requirements, the levels of readiness that are reported, the resultant readiness gaps that need to be filled, and ultimately the funding requirements for the weapons systems, maintenance, personnel, and training that are needed to rebuild readiness.

Report on non-combat training requirements for Army, Navy, Air Force, and Marine Corps service members

The committee notes the important training service members participate in for both combat and non-combat activities. The committee believes that both types of training are important to develop and maintain not only a lethal, fighting force but also a responsible and professional one. The committee is concerned, however, that at times some non-combat training may be duplicative and take time away from what could be used for critical combat training. Accordingly, the committee directs the Secretary of Defense, in consultation with the service secretaries, to submit a report to the Committees on Armed Services of the Senate and the House of Representatives no later than November 1, 2016. The report shall include non-combat related training requirements for all components with: 1) A list and description of all non-combat training requirements, divided by each service, to include designation for training that must remain current or is required for pre-deployment; 2) A description of the method required for accomplishing the training; 3) A description of the average amount of time required to complete the training, including the time spent enforcing the training requirements and the required time spent on instructor training, if required; 4) The number of times the training is required and the duration of time that the training is valid; 5) A description of the applicability of the individual training to the service member's primary job performance; 6) A description of the total amount of time a service member is required to complete the non-combat training requirements; and 7) An identification and description of any negative impact to primary job performance that is a result of the non-combat training requirements. The report shall include recommendations for any non-combat training that the Secretary of Defense believes should be eliminated. The report shall be submitted in unclassified form, but may include a classified annex if required.

Assessment of Joint Professional Military Education

The committee believes that Joint Professional Military Education (JPME) is a key component of growing joint-qualified officers, and in developing leaders capable of planning, fighting, and winning tomorrow's wars. The committee also believes, however, that the delivery of JPME, and Professional Military Education (PME) provided by the military services, can be improved. Therefore, the committee directs the Secretary of Defense to review the delivery of Joint Professional Military Education in the military services, including an assessment of: (1) the current statutory and regulatory framework authorizing, regulating, and potentially restricting development of better methods and models of delivering JPME; (2) the curricula of JPME and PME, and whether they are adequately preparing tomorrow's leaders; (3) the quality of faculty, both military and civilian; (4) whether institutions that deliver JPME and PME afford faculty sufficient academic freedoms and career progression opportunities to attract and retain talented instructors; (5) whether any JPME or PME courses, programs, or schools should be added or eliminated; and (6) any other aspect of JPME or PME that the Secretary deems appropriate. The Secretary shall provide a report to the Committees on Armed Services of the Senate and the House of Representatives by no later than April 1, 2017, on the results of this review.

Comptroller General of the United States review of pilot programs on career flexibility to enhance retention of members of the armed forces

The committee directs the Comptroller General of the United States to review career intermission pilot programs implemented pursuant to section 533 of the Duncan Hunter National Defense Authorization Act for Fiscal Year 2009 (Public Law 110-417), as amended by section 523 of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114-92), and the reports prepared and submitted under section 533(k) of that Act, and to provide a report on the results of the study to the Committees on Armed Services of the Senate and the House of Representatives by December 31, 2016. At a minimum, the review should assess: (a) whether the authorities of the pilot program have provided an effective means to enhance the retention of members of the armed forces possessing critical skills, talents, and leadership abilities; (b) the career progression in the armed forces of individuals who participated in the pilot program and whether their careers have been adversely affected; (c) the usefulness of the pilot program in responding to the personal and professional needs of individual members of the armed forces; (d) the extent to which the designation as a pilot program has discouraged participation by qualified applicants; and (e) the costs incurred in the program to date, and an assessment of the expected annual costs in the expanded program as modified by section 523 of the National Defense Authorization Act for Fiscal Year 2016 to remove limits and restrictions on participation.

Enlisted representation

The committee directs the Secretary of Defense to appoint senior noncommissioned officers (in the pay grades of E7, E8, or E9) as members on Department of Defense boards, panels, or bodies of a similar nature, where the topic involves the consideration of compensation and benefits (including pay and allowances, health care, retirement, and other benefits) of enlisted members of the Armed Forces.

F-35A maintainer shortage report

The committee is aware of the aircraft maintainer shortage that is impacting the stand-up of F-35A squadrons and impacting the combat readiness and sustainment of all other Air Force squadrons. As a result of this shortage, the USAF is hiring contract maintainers through 2019 in non-deploying squadrons in order to ensure the Air Force is able to stand up new F-35A squadrons, as well as meet basic operations and maintained schedule for training and combat missions across the entire inventory. While the committee is supportive of increasing the number of USAF aircraft maintainers in order to fill the shortage of active-duty maintainers across the force, the committee remains concerned about a long term plan to address these shortages. The contract maintainers will only meet the Air Force requirements through 2019. Beyond 2019, the Air Force still has a total force aircraft maintainer shortfall, and will need to access at least 4,000 active duty maintainers to replace the contract maintainers, maintain the training pipelines, reduce the deploy-to-dwell ratio, and maintain the congressionally mandated 1,950 fighter aircraft floor. To address this shortfall, the committee recommends that the Air Force should thoroughly assess and consider the number of additional active duty, guard, and reserve maintainers that they need in order to meet full-spectrum readiness across the entire force. Therefore, the committee directs the Secretary of the Air Force to develop a plan to increase or reallocate authorized end strength, to include in the reserve components and to give consideration to the most effective and efficient use of the total force, to ensure that installations receiving new F-35As across the Air Force post-2019 have the necessary maintainers to ensure their operation. The committee directs the Secretary to provide a written plan to the congressional defense committees no later than 90 days following the enactment of this Act.

Pilot deficiencies

It is the sense of the Senate that the services may not be taking adequate action to remedy the shortfall of fighter pilots in the near and long term. The Air Force is currently short more than 500 fighter pilots, and expects this to surpass 800 by 2022. Some other Air Force pilot communities, particularly the remotely piloted aircraft community, also have shortages, while there are more pilots than needed to meet requirements in other communities. The Navy, while meeting current requirements, also anticipates a fighter pilot shortfall in the early 2020s. The Committee directs the Comptroller General of the United States to conduct a report on available force management tools, as well as how these tools are used by military services with pilots, to manage their pilot accessions and force management priorities to right size their different communities. The Committee encourages the Comptroller General of the United States to provide a

detailed account of all approaches currently taken by services and recommend regulatory or process changes to service force management practices, as warranted, as well as appropriate statutory changes.

Military health system reform overview

In January 2015, the Military Compensation and Retirement Modernization Commission provided the Congress its recommendations to modernize the military compensation and retirement systems.

Building on those recommendations, the committee achieved enactment of historic reforms to the military retirement system in the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92).

These reforms expanded retirement benefits to the majority of military service members excluded under the old system while saving taxpayers approximately \$13.0 billion in discretionary spending over the next 10 years and approximately \$12.0 billion per year in steady state mandatory spending. Modernizing the military retirement system demonstrated that true reform can deliver better and expanded benefits to military service members while saving taxpayer dollars. In addition to its recommendations to modernize the military retirement system, the Commission recommended major reform of the military health system. Those recommendations offered a plan to improve and sustain operational medical force readiness, improve access to care, and expand beneficiaries' choices of health plans. The committee has taken a very deliberate approach to enacting major military health system reform legislation. For more than a year, the committee has worked diligently to understand the implications and unintended consequences of any plan to reform the military health system a large, complex health program with over 9.4 million eligible beneficiaries. During this time, the committee held hearings with civilian healthcare experts and Department of Defense (DOD) officials, studied the attributes of high-performing civilian health systems, examined many published reports on military and civilian healthcare, visited military treatment facilities, held numerous meetings with military and veterans' service organizations, and conducted sensing sessions with military and civilian hospital personnel. Most importantly, the committee visited with beneficiaries to better understand their current experiences with the military health system and to determine whether the existing system meets their needs. This extensive work has made invaluable contributions to the committee's oversight of the military health system. As the committee formulated its defense health reform initiatives, we determined not to increase TRICARE fees unless we could create more value—provide higher quality care, better access to care, and a better experience of care. Based on the above findings and many others, the committee developed a comprehensive legislative package that would provide a gold-standard, integrated healthcare delivery system, creating high value for all beneficiaries. The committee mark contains numerous provisions to meet the following reform objectives of the committee. Improve and maintain operational medical force readiness: (1) creates specialized care centers of excellence at major military medical centers; (2) expands military-civilian trauma training sites and requires integrated trauma team training; (3) requires establishment of personnel management plans for important wartime medical specialties; (4) requires development of quality of care outcome measures for combat casualty care; (5) requires greater focus on medical research to understand better the causes of morbidity and mortality of service men and women in combat; (6) requires development of a trauma care registry; (7) requires development of standardized tactical combat casualty care training; and (8) expands eligibility for care in military treatment facilities to veterans and certain civilians.

Enhance access to high quality healthcare: (1) creates local high performing military-civilian integrated health delivery systems; (2) expands telehealth capabilities in the military health system; (3) creates specialized care centers of excellence at major military medical centers; (4) requires contracts for turn-key primary care/urgent care clinics at military treatment facilities; (5) authorizes a pilot program to give commercial health insurance coverage to reserve component members and their families; and (6) requires a standardized medical appointment system across the military health system. Improve beneficiaries' health outcomes: (1) increases beneficiary involvement and shared responsibility to improve health outcomes and to lower costs—targets smoking cessation and weight reduction; (2) incentivizes participation in disease management programs; and (3) and incentivizes use of high-value providers.

Create health value: (1) expands and improves access to care by requiring a standardized appointment system in military treatment facilities; (2) expands the full range of telehealth services available to beneficiaries; (3) authorizes lower co-payments for high-value pharmaceuticals and medical services; (4) eliminates the requirement for pre-authorization for specialty care referrals; (5) requires a plan to improve pediatric care

and related services; (6) incentivizes participation in disease management programs; (7) authorizes enrollment of eligible beneficiaries in federal dental and vision insurance programs managed by the Office of Personnel Management; (8) authorizes new TRICARE health plans; and (9) eliminates existing cost-shares for services provided under the current TRICARE Standard plan and replaces them with fixed co-payments to lower overall costs for beneficiaries. Modernize TRICARE medical support contracts: (1) incorporates value-based healthcare methodology and value-based provider reimbursement into TRICARE contracts; (2) expands access to the full range of telehealth capabilities; (3) allows contractors to use the latest innovations in the private sector health plan market; (4) transfers financial risk to contractors and healthcare providers; (5) focuses contracts on building networks of high-value providers; and (6) requires a competitive, continuously open contracting strategy.

Drive efficiencies and eliminate waste: (1) right-sizes the footprint of the military health system to meet operational medical force requirements and the medical readiness of the Armed Forces; (2) realigns the medical command structure and shrinks headquarters staffing creating greater efficiency in the management of the military health system; (3) eliminates graduate medical education training programs not directly supporting operational medical readiness requirements and the medical readiness of the Armed Forces; (4) authorizes conversion of military healthcare provider positions to civilian or contractor positions; (5) requires a multi-year study by the Comptroller General of the United States to find healthcare waste throughout the military health system; (6) requires centrally-managed, performance-based professional staffing contracts; and (7) modernizes TRICARE medical support contracts.

Lower the per capita costs of healthcare for DOD and beneficiaries: (1) authorizes very modest increases in existing single and family annual enrollment fees by \$68 and \$135 respectively for working-age military retirees; (2) authorizes changes to co-payments for medical services but allows DOD to lower co-payments for high-value services and raise co-payments for low-value services; (3) increases pharmacy co-payments incrementally over a 9-year window but authorizes DOD to give preferential status to any non-generic pharmaceutical agent on the uniform formulary by establishing the same co-payment as the co-payment of a generic product under the retail and mail order programs; (4) authorizes appointment no-show fees in military treatment facilities; and (5) incentivizes participation in disease management programs. Demand performance accountability: (1) establishes performance accountability for military healthcare leaders throughout the military health system; (2) establishes rigorous criteria for selection of military treatment facility commanders; and (3) establishes minimum lengths of tours of duty for military treatment facility commanders. The committee believes these significant reforms constitute critical first step in the evolution of the military health system from an under-performing, disjointed health system into a high performing integrated health system that gives beneficiaries what they need and deserve: the right care at the right time in the right place. True transformation, however, will require a cultural change across the entire military health system—a change from a system first culture to a patient-first culture. Such a cross-service cultural shift is essential to building trust with beneficiaries and creating health value for them. The committee expects military health system leaders and their private sector partners to begin immediately advancing a patient-first culture throughout the military health system.

Comptroller General Assessment of national defense implications of the next generation air traffic management system

The committee is concerned with the potential national defense implications of the next generation air traffic management system, specifically with the main component of the system known as Automatic Dependent Surveillance-Broadcast (ADS-B). The committee recognizes the significant safety, cost, and efficiency advantages of ADS-B operations over the legacy system of air traffic control radar surveillance of air traffic. ADS-B enhances system situational awareness, collision avoidance, runway and airport airspace incursion avoidance, and the ability to implement air traffic control in non-radar environments, such as sparsely populated areas and oceanic surveillance. ADS-B also contributes to more direct aircraft routing and optimized departures and approaches, which increase capacity and save time and fuel. Finally, ADS-B infrastructure relies on simple ground and airborne radio equipment that is significantly cheaper to install and maintain than the mechanical infrastructure associated with traditional radar ground stations. The committee is concerned that many of the characteristics that give ADS-B operations its significant advantages also expose potential vulnerabilities for exploitation by entities or individuals with nefarious intent. An

inexpensive software-defined radio, a laptop computer, and a small nondescript antenna are all that are needed to monitor and potentially exploit extremely accurate, real time aircraft position and operations details that are continuously broadcast using unencrypted digital encoding. Therefore, the committee directs the Comptroller General of the United States to conduct a study, with preliminary observations due no later than March 3, 2017 and a final report to the Committees on Armed Services of the Senate and the House of Representatives to follow. The assessment by the Comptroller General should include:

(1) Implications for ADS-B operations on detection, identification, cueing, and targeting for air sovereignty and air defense operations against airborne threats; (2) Effect of ADS-B operations on integrated tactical warning and attack assessment decision-making processes and authorities; (3) Vulnerabilities from cyber attack against ADS-B related network operations and potential impacts to military operations; (4) Susceptibility of ADS-B to beaconing, intrusion, jamming, and interference and potential impacts to military operations; (5) Implications for ADS-B operations on force protection and operational security for military airborne assets operating en route between and on military installations; (6) Options for mitigating potential vulnerabilities; and (7) Other information such that the Comptroller General considers appropriate to include in the report.

Comptroller General assessment of priorities and processes for operational support airlift and executive airlift by Department of Defense aircraft

The committee is aware senior federal government officials, including the President, Vice President, cabinet members, other high ranking executive branch officials, general and flag officers, and members of Congress are authorized to fly on military aircraft. Moreover, certain officials are required to use military aircraft under circumstances where they require security, continuous access to secure communications, or have exceptional scheduling demands. This high priority movement of senior government officials, known as operational support airlift and executive airlift (OSA/EA), is accomplished with a fleet of aircraft assigned to the Air Force's 89th Airlift Wing, located at Joint Base Andrews, Maryland. Additionally, certain other high ranking government officials assigned throughout the United States and around the world also rely on military airlift using aircraft based in many locations and operated by other services and agencies of the Department of Defense. The committee recognizes the Government Accountability Office (GAO) has previously reported the number of OSA/EA missions increased steadily from fiscal years 2008 through 2012, with a concomitant increase in costs. The authorization to use government aircraft on OSA/EA missions is governed by guidance that includes a priority order based on civilian seniority and military rank. The committee desires to ensure the guidance and priority order are implemented effectively and fairly. Therefore, the committee directs the Comptroller General of the United States to review the implementation of relevant government guidance specifying the prioritization, scheduling, and execution of OSA/EA missions, or other uses of military aircraft for passenger travel. Preliminary observations will be provided no later than March 3, 2017 to the Committees on Armed Services of the Senate and of the House of Representatives, with a final report to follow. The assessment by the Comptroller General should include:

(1) The guidance governing the use of military aircraft for OSA/EA missions or other uses of military aircraft for passenger travel; (2) How the priority order for use of military aircraft for passenger travel is developed and distributed; (3) The number of requests, fulfillments, and denials for use of military aircraft for OSA/EA support occurred from fiscal years 2014 through 2016, and the reasons for any denials or non-fulfillments; (4) How effectively the Department of Defense (DoD) implemented the relevant guidance and used management controls to ensure OSA/EA missions are properly approved, scheduled, and executed, including the basis for any waivers or deviations from the guidance; and (5) Other information such that the Comptroller General considers appropriate to include in the report.

Total Army end strength

The Committee remains concerned about the appropriate size of the Army, to include both the Active and Reserve Component, and its readiness posture. As a result of the Budget Control Act, the Army has drawn down its end strength with a goal of 450,000 soldiers by the end of Fiscal Year 2018. General Mark Milley, the Chief of Staff of the Army, stated at the Army Posture hearing that the budget caps have resulted in a significant reduction in funding for modernization and research and development. He also emphasized that readiness is the top priority for the Army. In light of the threats confronting our nation, to include Russia, China, North Korea, Iran, and ISIS, the Army has accepted high military risk to meet the requirements of the

National Security Strategy and the Defense Planning Guidance. But as General Milley also stated before this committee, we will “make the most efficient and effective use of the Army that we have.” The Committee supports the Army’s efforts to increase readiness levels throughout the force, and recognizes the need to reassess the Army’s size in conjunction with available funding sources and the threats facing our country.

Furlough of Department of Defense civilian employees

The committee notes that in the rare case of an administrative furlough, the Department of Defense should consider mission first in making furlough decisions, with great consideration given to unit readiness.

Training for cyber mission forces

The Secretary of Defense in fiscal year 2013 directed the standup of the Cyber Mission Forces (CMF) and provided funds for U.S. Cyber Command (CYBERCOM) and the service cyber components to establish the teams and fund the training of personnel and units. The funding provided by the Secretary for training covered fiscal year 2013 to fiscal year 2016. During this period of central funding, the services, under the supervision of CYBERCOM, the Office of the Secretary of Defense, and the Joint Staff, were supposed to come to an agreement on a joint, federated training program funded by the services for training of the CMF. This federated training program was to be an equitable division of labor that avoided duplication and built on the expertise of each service. The committee is concerned that the services were not able to come to an agreement on a joint training program for the CMF for the budget submission for fiscal year 2017. The committee expects this issue to be resolved in the current budget planning cycle for fiscal year 2018, and expects to be kept informed of progress towards this goal in the coming months.