



FY2015 National Defense Authorization Act Summary

The National Defense Authorization Act (NDAA) authorizes approximately \$577.1 billion in budget authority for national defense programs within the committee's jurisdiction. In discretionary budget authority, it includes roughly \$495.9 billion for the Department of Defense (DoD) base budget, \$63.7 billion for overseas contingency operations, and \$17.5 billion for the defense activities of the Department of Energy and the Defense Nuclear Facilities Safety Board.

The National Defense Authorization Act is vital to our national security and provides our men and women in uniform with the tools they need as well as the benefits and support that they have earned and deserve. This is a must-pass piece of legislation.

This legislation is substantially based on two bills: (1) HR. 4435, the National Defense Authorization Act for FY15, which passed the House earlier this year; and (2) S.2410, a product of the Senate Armed Services Committee. Because passing this legislation before the end of the calendar year is vital, these two products were merged through a series of negotiations at all levels of the House and Senate. This legislation represents broad, bipartisan consensus about America's national security goals, resources, and policies.

There are many good aspects to this bill, such as support for a pay raise for the troops, and an important agreement that restores the \$818 million in cuts made to readiness accounts by the House Armed Services Committee. The bill, however, fails to make some of the difficult choices necessary to address the financial constraints put in place by Congress. If this continues, and sequestration remains the law of the land, our military readiness will be significantly degraded. In today's world, that is unacceptable and it is wholly avoidable. On balance, this bill represents an important piece of legislation that the House must get to the President's desk.

Below is a summary of some of the key provisions:

Support for Troops

- Supports a 1% pay raise for the troops and freezes monthly basic pay for General and Flag Officers for Fiscal Year 2015
- Extends certain special pay and bonuses for active-duty and reserve personnel

- Rejects DOD's requested budget cut to the commissary program and requires the Secretary of Defense to conduct a review, utilizing the services of an independent organization experienced in retail grocery analysis, of the defense commissary system to help determine the best way forward while still providing significant savings to patrons

Sexual Assault

- Requires the Secretary of Defense to consider the preference of sexual assault victims regarding whether offenses should be prosecuted by court-martial or in a civilian court
- Allows a victim of sexual assault, who believes that their rights were violated during the court martial process, the ability to petition the Court of Criminal Appeals to require the court martial to comply with the Military Rules of Evidence
- Provides an appeal process for individuals who were victims of a sex-related offense and were discharged from the military for what they believe is a side-effect of their assault, such as psychological struggles, or a failure to adjust
- Requires the establishment of a Defense Advisory Committee on Investigation, Prosecution, and Defense of Sexual Assault in the Armed Forces

End Strength

- Authorizes end strength for Active Duty personnel of the Armed Forces at the end of FY 2015 at 490,000 for the Army, 323,600 for the Navy, 184,100 for the Marine Corps, and 312,980 for the Air Force – meeting the President's request, except for a small increase for the Air Force to support the retention of A-10 aircraft

General Military Personnel Policy

- Establishes a single defense agency for POW/MIA affairs and provides some additional authorities to enhance recovery efforts and provide family members information
- Enhances authorities to help service members obtain professional credentials
- Provides enhanced information regarding the use of the post-9/11 GI Bill and federal financial aid through the Transition Assistance Program
- Requires a Comptroller General (GAO) report on hazing in the Armed Forces

Health Care

- Requires a one-time modest increase of \$3.00 for pharmacy co-pays for retail prescriptions and mail-order non-generic prescriptions. The bill also requires that, beginning October 1, 2015, all non-generic prescription maintenance medications be filled through military treatment facility pharmacies or the national mail-order pharmacy program
- Requires the Secretary of Defense to provide a person-to-person mental health assessment for active duty and selected reserve members each year and, through 2018, a person-to-person mental health screening once during each 180-day period in which a member is deployed
- Requires a report on improvements in the identification and treatment of mental health conditions and traumatic brain injury among members of the Armed Forces

- Requires a Comptroller General (GAO) report on mental health stigma reduction efforts in the Department of Defense

Guantanamo Bay, Cuba

- Perpetuates the status quo on the detention facility at Guantanamo Bay, Cuba (GTMO), leaving much more work to be done to reach the goal of closing the detention facility
- Removes the prohibition on transfers of GTMO detainees to Yemen that was included in the SASC-reported bill
- Extends the prohibition on transfers of GTMO detainees into the United States through calendar year 2015
- Extends the prohibition on the use of DOD funds to construct or to modify facilities to detain GTMO detainees in the United States through calendar year 2015
- Authorizes the construction of a \$12 million dining facility and a \$11.8 million health clinic requested by the Department of Defense to support detention operations at Guantanamo Bay
- Limits construction of new facilities at Guantanamo Bay in Fiscal Year 2015 unless the Secretary of Defense certifies that the proposed military construction project has independent value from the high-value detainee mission

Readiness

- **In a significant improvement to the House bill, the agreement restores the \$818 million in cuts made to base-budget readiness accounts by HASC in facilities maintenance contracts and contracts for other services:**
 - The cuts would have caused the military services to forego repairs and upgrades to airfields and to mission-critical facilities and infrastructure such as electrical systems, heating and air conditioning systems, and roofs;
 - They would have meant delays in renovations, consolidations, conversions, and demolitions to more efficiently use space and reduce O-and-M costs; deferral of repairs and upgrades to alleviate life, health, and safety deficiencies, including fire protection systems upgrades;
 - And they would have postponed repairs, replacements, or reconfigurations of gates and other installation security components.
- While the overall authorized amount for operation and maintenance is still \$304.5 million below the President's Budget request, the agreed-upon bill goes far in ensuring our men and women who serve have the necessary resources to dominate in any operational environment
- Provides an additional \$23 million for two additional Combat Training Center rotations for the Army National Guard
- In the base budget, the bill provides an additional: \$10.1 million for aircraft depot maintenance and \$33.7 million for ship depot maintenance and \$103.7 million for facilities sustainment, restoration, and modernization
- Provides an additional \$94.3 million to the Army and \$85.3 million to the Navy to bring them up to the statutory 6% minimum required in the depots' facilities Capital Investment Program and \$33.8 million for Marine Corps crisis response operations, a specified unfunded requirement

- Adds in the Overseas Contingency Operations account: \$235.2 million for land forces depot maintenance for the Army and Army National Guard; \$111 million for Navy aviation depot maintenance and \$150 million for ship depot maintenance; \$10 million for Marine Corps depot maintenance, and \$150 million for Air Force depot maintenance
- Includes a provision that authorizes a two-year pilot program for overseas sustainment (to include corrective and preventative maintenance and repair, performed by U.S. Government personnel or U.S. contractor personnel) of up to 3 Littoral Combat Ships operating on extended deployments at any one time

Workforce Issues

- Includes a provision that provides a one-year extension to the authority for a civilian employee of the Department of the Navy who is assigned to temporary duty to perform work aboard, or dockside in direct support of, the nuclear aircraft carrier that is forward deployed in Japan to receive overtime pay. The provision would limit the amount the Secretary of the Navy may pay under this section to \$250,000 in fiscal year 2015 until the OPM submits the report required the 2011 NDAA
- Extends for one year the cap on the aggregate annual amount spent on contracts for services through fiscal year 2015 and modifies and extends the test program for negotiation of comprehensive small business subcontracting plans authorized by section 402 of the Small Business Administration Reauthorization and Amendments Act of 1990

Europe

- Provides authorization for the \$925 million European Reassurance Initiative included in the Overseas Contingency Operation (OCO) budget request submitted by the Department of Defense. The funding will go toward enhancing U.S. military presence in Europe, including U.S. rotational forces, multi-national exercises, prepositioned equipment, additional intelligence, surveillance and reconnaissance, training range capacity and capability, and partnership programs.
- Authorizes \$174.4 million for military construction projects in Romania, Bulgaria, Lithuania, Estonia, Latvia, Poland, and Italy, contingent on congressional receipt of the European Infrastructure Consolidation report, certification that the projects have been submitted for NATO financing, and submission of detailed MILCON documents for each project
- Continues a prohibition on the proposed reduction of U.S. forces at Lajes Air Force Base in the Azores until the Secretary of Defense certifies that the action is supported by the European Infrastructure Consolidation review and that Lajes is not an optimal location for U.S. Southern Command or U.S. Africa Command

Energy and Biofuels

- Includes language that prohibits funds from being used for bulk purchases of drop-in alternative fuel for operational purposes unless the fully burdened cost of that fuel is cost-competitive with the fully burdened cost of a traditional fuel available for the same purpose
 - Provides a national security waiver to the prohibition with a 30-day notice to Congress if the Secretary of Defense intends to purchase a drop-in fuel with a fully burdened cost in excess of 10% more than the fully burdened cost of a traditional fuel
- Includes a provision that requires the Secretary of Defense or Service Secretary to submit a business case analysis 30 days prior to entering in to an agreement for the planning, design, refurbishment, or construction of a biofuel refinery.

Military Construction

- Includes a provision stating that nothing in the bill should be construed as authorizing an additional round of Base Realignment and Closure (BRAC)
- Authorizes \$5.091 billion in military construction, \$1.19 billion in family housing, and \$270 million to continue implementation of the previous BRAC rounds in the base budget in fiscal year 2015
- Authorizes \$204.56 million in military construction for the overseas contingency operations budget in fiscal year 2015

U.S. Marine Corps Realignment to Guam

- Includes a provision that lifts the restrictions on expending both U.S. and Government of Japan funds for construction to support the realignment of U.S. Marines from Okinawa to Guam
 - Places an overall \$8.7 billion cost cap on the total military construction program, based on the master plan submitted by the Marine Corps. The provision would continue the restrictions on the development of public infrastructure.

Environmental

- Authorizes \$1.1 billion, equal to the President's budget request, for the environmental restoration accounts of the Department of Defense and Military Departments
- Includes a provision stating the Department of Defense may use either LEED, Green Globes, or ICC 700 green building standards or systems for residential construction authorized in the bill
- Includes a provision that lifts a statutory restriction on environmental remediation for certain areas of the former bombardment area on the Island of Culebra, Puerto Rico, and modifies restrictions contained within the deed. The provision will allow the Army to expend funds available in the Environmental Restoration Account for Formerly Used Defense Sites, to decontaminate the beaches, campgrounds, and Carlos Rosario Trail of unexploded ordnance.

Aircraft Carrier, Amphibious Ships and Cruisers

- Commits to a fleet of 11 aircraft carriers by fully funding the refueling and complex overhaul of the *USS George Washington* (CVN-73) while also restricting any funding for defueling
- Provides \$800 million for one additional LPD-17 class amphibious ship, demonstrating Congress' continued commitment to the amphibious lift requirement for the Marine Corps
- Unfortunately, Congress failed to take advantage of the full savings and extension of service life that would have resulted from the Navy's phased modernization plan for 11 cruisers and 3 dock landing ships. Instead, Congress directs the Navy to modernize two cruisers in FY15 and allows them to reduce the crew size while in modernization.

A-10 Retirements

- During FY15, the Air Force planned to retire approximately 100 out of 283 A-10s now in service. The bill prohibits any retirements in FY15 but includes an exception allowing DOD to place up to 36 aircraft into "backup inventory status," which is a reduced operating posture, but not retirement. Exercising that exception requires completion of a personnel study by DOD. The language also calls for a GAO report on close air support capability. In the funding tables, the bill authorizes an additional \$334 million to cover the potential cost of retaining all A-10s in their current flying status.

Army and Army National Guard Apache Helicopters

- The Army has a multi-year proposal to eventually move all eight battalions of Army National Guard AH-64 Apache helicopters to the Active Duty Army. The bill prohibits any transfer of Apache aircraft in FY15 but allows personnel-related preparation activities and planning to take place. The bill also has language similar to the Senate NDAA that allows the Army to transfer up to 48 aircraft in FY16. In effect, the language allows the Army to begin its Aviation Restructuring Initiative in FY16, but leaves a decision on its completion to the next Congress.
- Creates the National Commission on the Future of the U.S. Army, which will have four members appointed by the President and four appointed by Congress. The Commission is tasked to report back to Congress by February 1, 2016.

U-2 and MQ-1 Aircraft

- The Air Force has no plans to retire U-2 aircraft or MQ-1 UAVs in FY15. Nonetheless, the bill prohibits them from doing so.

E-3 AWACS

- The Air Force planned to retire 7 (out of 31) E-3 AWACS aircraft in FY15. The bill prohibits them from doing so, and in the funding tables it authorizes additional funding to cover the cost.

Funding for Other Major Programs:

- F-35 – Supports the President’s budget request of \$1.6 billion R&D, \$6.7 billion for procurement for 34 aircraft and continued R&D
- EA-18G – Increase of \$450 million for 5 additional aircraft
- MQ-9 – Increase of \$98 million for 8 additional aircraft
- UH-60M – Increase of \$103 million for 6 additional aircraft
- Stryker – Increase of \$50 million to fund portion of 4th Double-V brigade set
- M1 Abrams – Increase of \$120 million to avoid production break
- M2 Bradley – Increase of \$37 million to accelerate upgrades
- M88 Hercules – Increase of \$75 million for additional vehicles
- Army Trucks – Increase of \$100 million for accelerated reset
- JSTARS Aircraft – President’s budget request of \$73 million funding for R&D

Counterterrorism and Special Operations Forces

- The bill extends critical counterterrorism authorities necessary for Special Operations Forces (SOF) to combat terrorism while maintaining, and in some cases extending, congressional oversight of those authorities.
- SOF operators are fully provided for in the bill, including a new provision providing the Secretary of Defense the authority to establish rapid acquisition procedures to meet urgent SOF operational needs.
- In response to the increasing suicide trend in the SOF community, the IETC Subcommittee worked with the Personnel Subcommittee members to increase funding for SOF suicide prevention programs.
- Creates a flexible \$1.3 billion Counter Terrorism Partnership Fund that supports partner nation operations and U.S. Building Partnership Capacity programs to combat terrorism in the Middle East and Africa.

Cyber

- Provisions relating to cyber security pave the way for DoD to identify the tools required to recruit and retain a qualified workforce, continue to understand the threat, access test and training ranges, and provide for a ready force.
- The bill also increases visibility of taxpayer dollars in cyber security by mandating regular budget processes and procedures be followed after the initial cyber build.

Missile Defense

- For the Iron Dome missile defense system, the bill provides \$350 million (including an Israeli-requested \$175 increase over the budget request) and requires that FY15 funds be executed according to the US-Israel agreement on co-production (mandating 55% co-production in the US for parts and components)
- Includes \$40 million funding increase for upgrade to the current ground-based missile interceptors

- Requires the Missile Defense Agency to develop a plan to improve missile defense acquisition and incorporate “fly-before-you-buy” elements into the acquisition (requiring adequate testing before deployment and final production decisions)
- Does not include an additional \$40 million for studying an East Coast Missile Defense Site
- Requires an independent assessment of national missile defense testing
- Drops the requirement to deploy THAAD and Patriot to Eastern Europe and the requirement to accelerate the Aegis Ashore site in Poland to 2016 instead of 2018

Nuclear Weapons, Defense Environmental Clean-Up and Nonproliferation:

- Drops a funding prohibition for New START implementation and instead requires a report from the Secretary of Defense and Chairman of the Joint Chiefs of Staff on the reasons that the New START is in U.S. interests
- Requires maintaining all current ICBM silos in at least warm status (able to contain a deployed ICBM) for the duration of New START. The House bill required indefinite retention of all ICBM silos
- Requires the Secretary of Defense, in consultation with Secretary of State and the Director of National Intelligence, to notify the President and congressional defense committees if he believes there is activity that would significantly threaten US security and be inconsistent with arms control treaty obligations
- Requires the establishment of an advisory board on toxic substances and worker health
- Requires a biannual Congressional Budget Office report on the cost of nuclear weapons with an update in the off years if there is a significant change from the prior year
- Requires an interagency plan for verification and monitoring relating to the potential proliferation of nuclear weapons and fissile material, including identifying requirements and improving coordination
- Requires a new nuclear cruise missile warhead by 2025, with a possibility to delay until 2026 subject to U.S. Strategic Command approval (this provision rejects the Administration’s consideration of slipping the nuclear warhead for the Long-Range Stand Off weapon to 2027)
- Requires that the National Nuclear Security Administration demonstrate production capacity of 50-80 nuclear pits (for nuclear weapons) by 2027 with a two-year waiver to 2029. The DOD requirement for reaching 80 pit production capacity is 2031
- Requires the National Nuclear Security Administration to assess using or adapting existing facilities as part of its analysis of alternatives before designing new facilities to support plutonium pit production
- Requires notification to Congress if the Administration changes its plans with regard to the number of B61 nuclear weapons undergoing life-extension
- Excludes nuclear nonproliferation programs from DOD authority to transfer funds to the National Nuclear Security Administration and includes only nuclear weapons and naval reactors as potential recipients of DOD funds
- Drops the requirement to plan for the development of a U.S. ground-launched nuclear cruise missile

Russia:

- Prohibits the use of Russian RD-180 engines for national security launches, with the possibility of a waiver if needed for national security and if space launch services cannot be obtained at a fair and reasonable price without the use of Russian RD-180 engines
- The provision also grandfathers the existing United Launch Alliance block-buy launch contract and the use of Russian engines if such engines were purchased or legally obligated/on contract before Russian invasion of Crimea
- Mandates the development of a new rocket propulsion system by 2019 to replace U.S. reliance on the Russian RD-180 rocket engine
- Allows Cooperative Threat Reduction funding in Russia in FY15 but not beyond FY15 (this work is terminating), and mandates that other nonproliferation work in Russia terminate by 2018, unless authorized by Congress. Several House provisions prohibited using any funding in Russia for nonproliferation activities
- Prohibits using any funds to enter into a contract with Rosboronexport (a Russian public-private corporation that controls military exports) until a variety of conditions, mostly related to support for the Syrian regime, are met

Space

- Mandates an additional competitive launch contract in FY15 and a second additional launch contract in FY15-17

Human Rights

- For the first time ever, the bill codifies in Title 10 the requirement to conduct human rights vetting before carrying out training for security forces in other countries. The provision would allow the Secretary of Defense to waive the requirement for humanitarian reasons or if the mission is very important
- Creates an affirmative five-year authority for DOD to conduct human rights training for foreign military forces. Training individuals who fail human rights (Leahy) vetting would be prohibited, but training could be provided to the remainder of the units in which those individuals serve

Syria Train and Equip

- Allows DOD to reprogram funds to carry out the Syria train-and-equip program. The language broadly reflects the authority that was included in the Continuing Resolution earlier this year.

Afghanistan and Iraq

- Afghanistan Special Immigration Visas - slightly expands the eligibility to include people who have worked for the U.S. through ISAF in a variety of different capacities, providing a total of about 4,000 visas per year
- Provides \$1.6 billion to carry out the Iraq Train and Equip program to help rebuild and reequip the Iraqi army to combat ISIL
- Requires a report on what the end of hostilities in Afghanistan means to legal authorities available to DOD under the 2001 Authorization of Use of Military Force (AUMF)