



National Guard Bureau
Office of Legislative Liaison



FY16 National Defense Authorization Act (NDAA)

*Summary the H.R 1735, the National Defense Authorization Act for Fiscal
Year 2016 and Conference Report*

As of 1 October 2015



	Passed in Committee	Passed in Chamber	Agreement	Final Passage	Signed into Law
House	<input checked="" type="checkbox"/> April 30 th , 2015	<input checked="" type="checkbox"/> May 15 th , 2015	<input checked="" type="checkbox"/> September 29 th , 2015	October 1 st , 2015	
Senate	<input checked="" type="checkbox"/> May 13 th , 2015	<input checked="" type="checkbox"/> June 18 th , 2015			

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Executive Summary

This guide provides a short summary of the Fiscal Year 2016 House Armed Services National Defense Authorization Act. To obtain a complete understanding of any particular provision, users are encouraged to review the actual legislative language.

Status:

On Tuesday, September 29th, the House and Senate Armed Services conferees released their Conference Report on the FY16 National Defense Authorization Act. The conference agreement would authorize \$604.2 billion in fiscal year 2016, including \$496.4 billion for base Department of Defense programs, \$89.2 billion for overseas contingency operations, and \$18.6 billion for national security programs in the Department of Energy and the Defense Nuclear Facilities Safety Board. All authorizations are subject to appropriations support.

Highlights:

- The bill modifies the FY15 NDAA to extend the limitation of transfers of ARNG apaches, beyond 48, to the Army until June 30, 2016.
- The bill extends the State Partnership Program for five years and calls on DoD to study the feasibility of creating a centralized funding account for the program.
- The bill requires the conversion of not less than 20 percent of the general administration, clerical, financial, and office service occupation positions from military technician (dual status) positions to positions filled by individuals who are employed under section 3103 of title 5, United States Code, by no later than January 1, 2017. The bill also requires the phased-in termination of military technicians (non-dual status) to begin on January 1, 2017.
- The bill prohibits the Department of Defense from using more than 75 percent of authorized funding for sponsorship, advertising, or marketing associated with a sports-related organization or sporting event until a review of current contracts and task orders for such events was completed. The committee also directs the Comptroller General of the United States to assess DOD sponsorship, sports marketing and advertising activities, including the active duty, and reserve, and Guard components.
- The bill requires at least a 25 percent reduction to DoD headquarters activities, with the goal of saving \$10 billion over 5 years. It also calls for a comprehensive review of headquarters, administrative and support functions with an eye towards streamlining and consolidating these functions across the Department of Defense.
- The bill would modernize the current military retirement system by blending the current defined benefit, cliff-vesting retirement plan with a defined contribution plan allowing service members to contribute to a portable Thrift Savings Plan account with a Government contribution matching program.
- The bill requires the Secretary of Defense to submit a report on the MCRMC's recommendation to consolidate reserve component duty states to 6.

Note that all authorizations are subject to appropriations support:

- Adds \$420M NGREA Funding in OCO Procurement
- Adds \$5.3M for the State Partnership Program
- Adds \$240.5M for F-15 AESA radar upgrades
- Adds \$128M for ARNG UH-60 M model funding (8 aircraft)
- Adds \$21.7M for National Guard Operation Phalanx
- Adds \$26.7M to National Guard O&M for border security enhancements
- Adds \$20M for STARBASE



National Guard Accounts Overview

Authorization of Funding
(All Dollars in Thousands)

Army National Guard	President's FY16 Budget Request	HASC Mark	Delta from PB	SASC Mark	Delta from PB	Conference Report	FY16 Delta from PB
O&M**	\$6,717,977**	\$4,090,159**	+\$513,000 **	\$6,737,096	+\$19,119	\$7,139,477	+\$421,500
OCO O&M	\$60,845	\$60,845	\$0	\$60,845	\$0	\$60,845	\$0
MILCON*	\$197,237	\$167,437	-\$29,800	\$248,537	+\$51,300	\$248,537	+\$51,300
OCO O&M Base Requirements	**	\$3,141,808**	\$0	--	--	--	\$0

**HASC moved a portion of the PB requested ARNG O&M to a new category of "OCO for Base Requirements". With the inclusion of the new funding category, ARNG O&M is \$513M above the PB request.

Army National Guard End Strength

Army National Guard	President's FY16 Budget Request	HASC Mark	Delta from PB	SASC Mark	Delta from PB	Conference Report	FY16 Delta from PB
End Strength	342,000	342,000	0	342,000*	0	342,000	0
AGR	30,770	30,770	0	30,770	0	30,770	0
Dual Status Technicians	26,099	26,099	0	26,099	0	26,099	0
Non-Dual Status Technicians	1,600	1,600	0	1,600	0	1,600	0
ADOS	17,000	17,000	0	17,000	0	17,000	0

*The SASC bill authorizes CNGB to increase FY16 end strength of the ARNG up to 3,000; AGR 615; and miltechs 1,111 if such increase is paid for entirely out of funds appropriated for fiscal year 2016 for ARNG O&M



Air National Guard

Authorization of Funding
(All Dollars in Thousands)

Air National Guard	President's FY16 Budget Request	HASC Mark	Delta from PB	SASC Mark	Delta from PB	Conference Report	FY16 Delta from PB
O&M*	\$6,956,210	\$6,895,610	-\$60,600	\$6,835,395	-\$120,815	\$6,819,510	-\$136,700
OCO O&M*	\$19,900	\$19,900	0	\$19,900	\$0	\$19,900	\$0
MILCON*	\$123,538	\$123,538	0	\$147,138	\$23,600	\$129,638	\$6,100

Air National Guard End Strength

Air National Guard	President's FY16 Budget Request	HASC Mark	Delta from PB	SASC Mark	Delta from PB	Conference Report	FY16 Delta from PB
End Strength	105,500	105,500	0	105,500	0	105,500	0
AGR	14,748	14,748	0	14,748	0	14,748	0
Dual Status Technicians	22,104	22,104	0	22,104	0	22,104	0
Non-Dual Status Technicians	350	350	0	350	0	350	0
ADOS	16,000	16,000	0	16,000	0	16,000	0

*Indicates that the funding is Authorized and is subject to Appropriations funded within the Fiscal Year 2016 Defense Appropriations Act, or the Fiscal Year 2016 Military Construction Appropriations Act

BILL TEXT:**Sec. 111 Prioritization of Upgraded UH-60 Blackhawk Helicopters within Army National Guard:**

This section would require the Chief, National Guard Bureau to issue guidance within 180 days after the date of the enactment of this Act that prioritizes UH-60 helicopter upgrades within the Army National Guard to those units with the highest flight hour aircraft and highest utilization rates. This section would also require the Chief to submit a report to the congressional defense committees within 30 days after issuing such guidance that describes such guidance.

Sec. 113 Report on Options to Accelerate Replacement of UH-60A Blackhawk Helicopters of Army National Guard:

This section would require the Secretary of the Army to submit a report to the congressional defense committees by March 1, 2016, containing detailed options for the potential acceleration of the replacement of all UH-60A helicopters of the Army National Guard.

Sec. 141 Backup Inventory Status of A-10 Aircraft:

This section would require that the Secretary of the Air Force not move more than 18 A-10 aircraft in the Active Component to backup flying status pursuant to an authorization made by the Secretary of Defense under section 133(b)(2)(A) of the Carl Levin and Howard P. "Buck" McKean National Defense Authorization Act for Fiscal Year 2015 (Public Law 113-291). This section would also make a conforming amendment to section 133(b)(2)(A) by striking "36" and inserting "18".

Sec. 142 Prohibition on Availability of Funds for Retirement of A-10 Aircraft:

This section prohibits the use of funds to retire, plan to retire, or place in storage or backup aircraft inventory an A-10 aircraft and requires the Air Force to maintain a minimum of 171 A-10 aircraft designated as primary mission aircraft inventory. This section also requires an independent assessment of the required capabilities or mission platform to replace the A-10.

Sec. 144 Restriction on retirement of the Joint Surveillance Target Attack Radar System (JSTARS), EC-130H Compass Call, and Airborne Early Warning and Control (AWACS) Aircraft:

This section prohibits the Air Force from retiring the JSTARS, EC-130H or AWACS until the follow-on replacement aircraft programs enters Low-Rate Initial Production.

Sec. 147 Limitation on transfer of C-130 aircraft:

This section prohibits funds being used to transfer C-130H aircraft, initiate C-130 manpower authorization adjustments, retire or prepare to retire any C-130H aircraft, or close any C-130H unit until 90 days after the Secretaries and Chiefs of Staff of the Army and the Air Force, in consultation with the commanders of the XVIII Airborne Corps, 82d Airborne Division, and Army Special Operations Command, certifies that the AF will maintain a dedicated C-130 wings to support daily training and contingency requirements for the XVIII Airborne Corps, 82nd Airborne Division.

Sec. 151 Limitation on retirement of Air Force fighter aircraft:

This section requires the Secretary of the Air Force to maintain a minimum total active inventory of 1,950 fighter aircraft, within which the Secretary must also maintain a minimum of 1,116 fighter aircraft as primary mission aircraft inventory (combat-coded). The bill further limits fighter retirements unless the Secretary provides a specified certification. This section also strikes the amendment to section 8062 of title 10, change the limitation period to a 2-year period beginning on October 1, 2015, and reduce the minimum numbers of fighters required to be maintained by the Air Force to 1,900 total aircraft inventory and 1,100 primary mission aircraft inventory (combat-coded). The amendment would also eliminate the certification and detailed report requirements, and require specified information in a report to be included in the material submitted in support of the

budget for a particular fiscal year, if proposing the retirement of fighter aircraft in that fiscal year's budget.

Sec. 152 Sense of Congress Regarding the OCONUS Basing of the F-35A Aircraft

ORGANIZATION AND MANAGEMENT

Sec. 341 Prohibition on Contracts to Facilitate Payments for Honoring Members of the Armed Forces at Sporting Events:

This section provides a sense of the Senate that any organization wishing to honor members of the Armed Forces should do so on a voluntary basis and that DoD should ensure that no payments be made for such activities in the future.

Sec. 345 Limitation on use of funds for Department of Defense sponsorships, advertising, or marketing associated with sports-related organizations or sporting events:

This section prohibits the Department of Defense from using more than 75 percent of authorized funding for sponsorship, advertising, or marketing associated with a sports-related organization or sporting event until a review of current contracts and task orders for such events was completed. The committee also directs the Comptroller General of the United States to assess DOD sponsorship, sports marketing and advertising activities, including the active duty, and reserve, and Guard components.

Sec. 346 Additional Requirements for Streamlining of Department of Defense Management Headquarters:

This section requires the Department to plan and budget for \$10.0 billion in cost savings in its headquarters, administrative and support activities between fiscal year 2015 and 2019. The amendment would also require at least a 25 percent reduction to headquarters activities, which would count towards the \$10.0 billion savings. Finally, the amendment would require a comprehensive review of headquarters, administrative and support functions with an eye towards streamlining and consolidating these functions across the Department of Defense.

MILITARY PERSONNEL AUTHORIZATIONS

Sec. 411 Authorization End Strengths for Selected Reserve

This section authorizes the end strengths for reserves on active duty in support of the reserves. The senate version includes a Sense of the Senate that the National Guard Bureau should account for State authorization when allocating full-time operation support duty personnel.

Sec. 412 Authorization End Strengths for Reserves on Active Duty in Support of the Reserves

Sec. 413 Authorization End Strengths for Military Technicians (Dual Status)

Sec. 414 Authorization Fiscal Year 2016 Limitation on Number of Non-Dual Status Technicians

Sec. 415 Maximum number of Reserve Personnel Authorized to be on Active Duty for Operational Support

Sec. 504 Authority to defer until age 68 mandatory retirement for age of a general or flag officer serving as Chief or Deputy Chief of Chaplains of the Army, Navy, or Air Force

Sec. 506 Implementation of Comptroller General Recommendation on the Definition and Availability of Costs Associated with General and Flag Officers and their Aides

RESERVE MANAGEMENT PROVISIONS

Sec. 511 Ready Reserve Continuous Screening Regarding Key Positions Disqualifying Federal Officials from Continued Service in the Ready Reserve:

This section would amend section 10149 of title 10, United States Code, to provide that a member of the Ready Reserve who is also a member of Congress may not be transferred to the Standby Reserve or discharged on account of the individual's position as a Member of Congress unless the Secretary of Defense, or in the Coast Guard Reserve, the Secretary of the Department in which the Coast Guard is operating, determines that transfer or discharge is based on the needs of the service.

Sec. 512 Clarification of Purpose of Reserve Component Special Selection Boards as Limited to Correction of Error at a Mandatory Promotion Board:

This section would amend section 14502(b) of title 10, United States Code, concerning Reserve Component special selection boards and whether an officer or former officer could request a special selection board based on having not been selected by a previous special selection board vice being considered by a mandatory promotion board convened under section 14101(a) of title 10, United States Code. This section would better align the statutory language regarding Active Duty and Reserve Component special selection boards.

Sec. 513 Increase in number of days of Active Duty required to be performed by reserve component members for duty to be considered Federal service for purposes of unemployment compensation for ex-service members

This section would increase from 90 to 180 days the number of continuous days of Active Duty required to be performed by reserve component members for that duty to be considered satisfactory federal service for purposes of unemployment compensation for ex-service members.

Sec. 514 Temporary authority for certain Air Force reserve component personnel to provide training and instruction regarding pilot instructor training:

This section authorizes the Secretary of the Air Force to utilize, during fiscal year 2016, up to 50 Active, Guard, and Reserve (AGR) members and dual status military technicians to provide training and instruction to active duty and foreign military personnel in excess of what is currently authorized by the AGR and military technician statutes. The provision would also require the Secretary, by no later than 180 days after the date of enactment of this Act, to provide the Committees on Armed Services of the Senate and House of Representatives a report setting forth a plan to eliminate pilot instructor shortages within the Air Force using authorities available to the Secretary under current law.

Sec. 515 Assessment of Military Compensation and Retirement Modernization Commission Recommendations regarding Consolidation of Authorities to Order Members of the Reserve Component to Perform Duty:

This section requires 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 180 days after the date of enactment of this Act, containing the Secretary's assessment of the Military Compensation and Retirement Modernization Commission's recommendation to consolidate the statutory authorities by which members of the reserve components may be ordered to perform duty. The report shall include the Secretary's assessment of the Commission's recommendation to consolidate 30 Reserve Component duty statuses into 6 broader statuses, with an analysis of each of the statuses recommended by the Commission. If the Secretary determines that a different consolidation is preferable, the report should clearly articulate why the Secretary's recommendation is preferable to

the specific recommendation of the Commission. The report should include draft legislation to implement the recommendations of the Secretary not later than 1 October 2018.

Sec. 542 Comptroller General of the United States reports on prevention and response to sexual assault by the Army National Guard and the Army Reserve:

This section requires the Comptroller General of the United States to evaluate the extent to which the Army National Guard and Army Reserve have in place policies and programs to prevent and respond to incidents of sexual assault involving members of the Army National Guard and Army Reserve.

MEMBER EDUCATION, TRAINING and TRANSITION

Sec. 551 Enhancements to Yellow Ribbon Reintegration Program:

The bill would amend section 582 of the National Defense Authorization Act for Fiscal Year 2008 (Public Law 110-181) to expand eligibility for the program; add quality of life to the services for which the Secretary of Defense may enter into partnerships to provide services and grants under the program; provide flexibility in the number and timing of information, events, and activities. This section would authorize the required training, field exercises and other duty performed by members of the National Guard and would additionally authorize the purpose, restrictions, and limitations of a call to order of the National Guard, provided under the program; and require the Office for Reintegration Programs to assist in the collection and analysis of best practices regarding suicide prevention.

Sec. 555 Termination of program of educational assistance for reserve component members supporting contingency operations and other operations:

This section terminates the program of educational assistance for reserve component members supporting contingency operations and other operations as recommended by the Military Compensation and Retirement Modernization Commission. This program is duplicative with the Post-9/11 GI Bill, which provides a more robust benefit for service members.

Sec. 562 Recognition of Additional Involuntary Mobilization Duty Authorities Exempt from Five-Year Limit on Reemployment Rights of Persons Who Serve in the Uniformed Services:

This section amends Title 38 USC by including 12304a and 12304b authorities.

OTHER PROVISIONS

Sec. 595 Remotely Piloted Aircraft Career Field Manning Shortfall:

This section withholds 25% of the Secretary of the Air Force's O&M until the Air Force submits a report to the defense committees within 60 days of enactment of the NDAA on the Air Force's actions to rectify the personnel shortfalls in the RPA career field.

COMPENSATION, PERSONNEL BENEFITS AND RETIREMENT

Sec. 611 One-Year Extension of Certain Bonus and Special Pay Authorities for Reserve Forces:

This section would extend the authority, through December 31, 2016, for 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, income replacement payments for Reserve Component members experiencing extended and

frequent mobilization for Active Duty service, and the authority to reimburse travel expenses for inactive duty training outside of normal commuting distance.

Sec. 631 Modernized Retirement System for Members of the Uniformed Services:

This section would modernize the current uniformed services retirement system by blending the current defined benefit, cliff-vesting retirement plan with a defined contribution plan, lump sum career continuation pay, and retention bonuses paid at defined career milestones, while continuing a 20 year defined annuity. The provision would limit service members who may opt-in to the new retirement system to those with less than 12 years of service. The agreement also includes an amendment that would repeal the modified cost-of-living adjustment for members under the age of 62 made by section 403 of the Bipartisan Budget Act of 2013 (Public Law 113-67; 127 Stat. 1186), as amended by section 10001(a) of the Department of Defense Appropriations Act, 2014 (division C of Public Law 113-76; 128 Stat. 151), section 2 of Public Law 113-82 (128 Stat. 1009), and section 623 of the Carl Levin and Howard P. "Buck" McKeon National Defense Authorization Act for Fiscal Year 2015 (Public Law 113-291; 128 Stat. 3403).

Sec. 632 Full Participation for Members of the Uniformed Services in Thrift Savings Plan

This section would modernize the current military retirement system by blending the current defined benefit, cliff-vesting retirement plan with a defined contribution plan allowing service members to contribute to a portable Thrift Savings Plan account with a Government contribution matching program. The provision would vest service members at the beginning of 3 years of service (2 years, 1 day) at a government matching rate of up to 5 percent. Senate amendment contained a similar provision (sec. 631) that would set the applicable initial entry date at January 1, 2018, provide a maximum government contribution of 5 percent (with the first one percent being an automatic agency contribution), and stop the government match at 26 years of service. The conferees note that all uniformed service members who would enter and serve prior to the date of implementation of the modernized retirement system would be grandfathered into the old retirement system.

Sec. 633 Lump sum payments of certain retired pay:

This section authorizes the Secretary concerned to allow the voluntary election of lump sum payments of retired pay for those serving 20 or more years of service. Members who elect to take the lump sum may choose to take 50 percent or 25 percent of the discounted present value of their defined retirement benefit that would be due to them prior to becoming eligible for Social Security.

Sec. 634 Continuation pay after 12 years of service for members of the uniformed services participating in the modernized retirement systems

This section directs the Secretary concerned to provide continuation pay to service members serving under the new military retirement system described above who reach 12 years of service, contingent upon such members agreeing to serve another 4 years of service.

Sec. 635 Effective Date of Implementation for Modernized Retirement System

This section provides for an effective date of January 1, 2018 for the modernized military retirement system. The provision also requires an implementation plan due to the appropriate committees of Congress on March 1, 2016.

MISCELLANEOUS PROVISIONS

Sec. 1004 Sense of Congress on Sequestration

The bill contained a provision stating sequestration is an inadequate budgeting tool to address the nation's deficits and debt and that relief must be accomplished for fiscal year 2016 and 2017.

Furthermore relief should include equal defense and non-defense relief and be offset through changes in mandatory and discretionary categories, and revenues. It states budget caps imposed by the Budget Control Act of 2011 must be modified or eliminated through a bipartisan legislative agreement.

Sec. 1054 Limitation on Transfer of Certain AH-64 Apache Helicopters from Army National Guard to Regular Army and Related Personnel Levels:

This section amends section 1712(b) of the FY15 NDAA to preserve the 60-day congressional review of the report from the National Commission on the Future of the Army. No movement may occur before June 30th, 2016.

Sec. 1053 Management of military technicians:

This section requires the conversion of not less than 20 percent of the general administration, clerical, financial, and office service occupation positions identified in the report of the Secretary of Defense under section 519 of the Ike Skelton National Defense Authorization Act for Fiscal Year 2011 (Public Law 112-81; 125 Stat. 1397) from military technician (dual status) positions to positions filled by individuals who are employed under section 3103 of title 5, United States Code, by no later than January 1, 2017. The provision also requires the phased-termination of military technicians (non-dual status) to begin on January 1, 2017, and requires the SecDef to submit a report on this plan by February 1, 2016.

Sec. 1061 Expedited meetings of the National Commission on the Future of the Army:

This section excludes the application of Section 10 of the Federal Advisory Committee Act to meetings of the National Commission on the Future of the Army with less than five members present.

Sec. 1066 Report on options to accelerate the training of remotely piloted aircraft Pilots:

This section requires a report from the Secretary of the Air Force to the congressional defense committees addressing the immediate and critical training and operational needs of the remotely piloted aircraft community.

Sec. 1073 Repeal or Revision of Certain Reports Relating to Readiness:

This section would repeal or revise certain reporting requirements to include: (c) Amending chapter 1013 of title 10, United States Code, by striking section 10542, which requires an annual report on Army National Guard combat readiness.

Sec. 1088 Modification of Requirements for Transferring Aircraft within the Air Force Inventory:

This section would amend section 345 of the Ike Skelton National Defense Authorization Act for Fiscal Year 2011 (Public Law 111-383) to ease administrative burdens and facilitate routine transfers of aircraft from the Reserve Components to the Active Component of the Air Force.

Sec. 1203 National Guard State Partnership Program:

This section modifies the FY14 NDAA's scope of authority for the State Partnership Program to permanently extend the program, and requires the DoD Comptroller and the Undersecretary of Defense for Policy to submit a report setting forth a joint assessment on the feasibility of establishing a central fund to manage funds for the programs under the State Partnership Program. This section also requires the Secretary of Defense to submit a legislative proposal if it is found to be advisable and feasible to establish a central fund for the program, and would extend the underlying authority for the program for 5 years.

Sec. 1404 Drug Interdiction and Counter-Drug Activities, Defense-Wide:

This section would authorize additional appropriations for Drug Interdiction and Counter-Drug Activities, Defense-Wide at the level identified in section 4502 of division D of this Act.

Sec. 1534 Comptroller General Report on Use of Funds Provided for Overseas Contingency Operations:

This section instructs the Comptroller General to submit to Congress a report on how funds authorized for OCO were ultimately used.

Sec. 1637 Report on Air National Guard Contributions to the RQ-4 Global Hawk Mission:

This section requires the Secretary of the Air Force, in coordination with the Chief of Staff of the Air Force and the Chief of the National Guard Bureau, on the feasibility of using ANG in association with active duty Air Force to operate and maintain the RQ-4 Global Hawk.

Sec. 2601 Authorization ARNG Construction

Sec. 2604 Authorization ANG Construction

OTHER FUNDING AUTHORIZATION PROVISIONS

Adds ARNG UH-60 M Model (MYP) funding: 8 additional aircraft: \$128M

Adds M1 Abrams Tank Mod funding: \$40M

Reduces KC-46 Procurement: -\$24M and RDT&E funding: -\$200M

Adds \$48M for F-15C AESA radars

Adds \$192.5M for F-15D AESA radars

Adds \$75M for C-130 AMP

Adds \$13.5M for C-130H Electronic Prop Control Systems – ULP

Adds \$1.5M for C-130H In-flight Prop Balancing System – UPL

Adds \$16.6M for C-130 Eight-Bladed Propeller

Adds \$33.2M for C-130 T-56 3.5 Engine Mod

Adds \$420M NGREA Funding in OCO Procurement

Provides \$186.4M for F-15 EPAWSS RDT&E

Adds F-16 AESA Integrations RDT&E funding: \$50M

Adds \$20M for STARBASE

Adds State Partnership Program funding: \$5.3M

- \$1M ARNG O&M administration services wide activities
- \$4.3M in Military Personnel

Adds \$20.7M to ARNG O&M for border security enhancements

Adds \$2.6M to ANG O&M for border security enhancements

Reduces ARNG NG Heritage Paintings: - \$900,000

Reduces ARNG Marketing: -\$11.5M

Adds \$62.1M for ARNG readiness in O&M

Restores \$35.2M to ARNG Facilities Sustainment, Restoration and Modernization

Reduces ARNG O&M and ANG O&M to Streamline HQs: -\$20.2M ARNG, -\$2.3M ANG

Restores ANG A-10 funding: \$42.2M

Adds \$21.7M in Military personnel for NG Operation Phalanx

DIRECTIVE REPORT LANGUAGE

HOUSE REPORT (114-102)

Counterdrug Activities:

The committee acknowledges the continued contributions of the National Guard to domestic counterdrug programs. The National Guard, working with law enforcement agencies and community-based organizations, performs interdiction and anti-drug activities to counter illicit drug trafficking. It also operates regional counterdrug training centers across the country to provide education and training to local, State, and Federal law enforcement in counternarcotics and global threat reduction efforts.

For the past 5 fiscal years, the budget request for National Guard Counterdrug Programs has not included sufficient funds to meet program requirements. Recognizing this shortfall in funding, Congress has consistently provided additional funds to enable the Guard to meet its requirements. However, this additional funding has been made available for execution by the Guard in the third or fourth quarter of the fiscal year, making it difficult for the Guard to execute it by the end of the fiscal year. The committee recognizes that this is not the most efficient or effective way to plan for and execute a successful program. The committee continues to encourage the Department of Defense to submit an accurate budget request for National Guard Counterdrug Programs consistent with its requirements.

However, the committee also believes that, with appropriate planning, the National Guard should be able to obligate and expend additional funds, if made available, for its counterdrug programs even if received late in the fiscal year. Therefore, the committee directs the Chief of the National Guard Bureau to brief the House Committee on Armed Services, not later than October 1, 2015, on the Guard's plan for how it can improve its execution of additional funding should the program receive it. Lastly, as the tight fiscal environment continues, the committee continues to encourage the National Guard, in conjunction with the Secretary of Defense, to refine its priorities and missions.

KC-46A quarterly report

The committee supports the current acquisition strategy associated with the KC-46A aircraft. Therefore, the committee directs the Under Secretary of Defense for Acquisition, Technology, and Logistics to discontinue the quarterly reporting associated with the KC-46A aircraft required in the committee report (H.Rept. 112-78) accompanying the National Defense Authorization Act for Fiscal Year 2012.

Long-range strike bomber

The Department of Defense has indicated that it intends to pursue the acquisition of future long-range strike capabilities for operating in anti-access/area denial environments. According to the budget request for fiscal year 2016, the Secretary of Defense expects to significantly increase annual investments in long range strike development over the next 5 years, with investments from fiscal year 2016-20 projected to total nearly \$14.00 billion. The acquisition of a new bomber is one of the key elements in the Department's planned long-range strike investments.

Given the size of the planned investments and the strategic importance of successfully acquiring a new bomber, the committee directs the Comptroller General of the United States to conduct a review of the U.S. Air Force bomber acquisition program and to provide a briefing to the House Committee on Armed Services by March 1, 2016, on the findings of the review. Specifically, the Comptroller General shall include an examination of the bomber program's technology maturity in comparison with other Air Force acquisition programs at similar milestone events. This brief

should also include an examination of the Air Force's: (1) overall acquisition strategy; (2) technology, design, and production readiness; (3) development, testing, and fielding progress; (4) cost and schedule implications; and (5) technical performance.

The committee expects the Secretary of the Air Force shall ensure timely access to the necessary program information including, but not limited to, cost and budget information, detailed schedules, contractor data, program management reports, decision briefings, risk and technology readiness assessments, and technical performance measures.

Air Force Remotely Piloted Aircraft Manning Issues:

The committee is concerned about the Air Force's management of critical shortfalls in training remotely piloted aircraft (RPA) pilots and system operators. Demand for combat air patrols continues to increase, resulting in an unsustainable operation tempo and exodus from the service of trained RPA pilots and operators.

Therefore, the committee directs the Secretary of the Air Force to provide a briefing to the House Committee on Armed Services by January 1, 2016, with a complete human capital plan detailing the measures taken to mitigate the shortfalls in manning of RPA weapon systems. Specifically, the briefing shall address: (1) strategies and actual programs in place to increase manning in training, increase retention of RPA operations personnel, increase crew ratios, and maintain a sustainable recruiting and retention program; and (2) a projected date by which the Air Force believes it will have mitigated the manning shortfall challenges that reside in the RPA community today.

Tracking for Non-Disability Mental Conditions:

The committee is encouraged by the progress the Department of Defense (DOD) has made in accounting for non-disability mental conditions but is still concerned that these conditions are not properly documented as a service member transitions from service. The committee believes that the Department of Defense needs to improve the identification of service members separated for non-disability mental conditions, and to provide reasonable assurance that service members, including Reserve Component members, separated for non-disability mental conditions are separated appropriately and in accordance with standard DOD procedures and documentation requirements. Therefore, the committee directs that the Secretary of Defense shall:

- (1) Develop methods to uniformly track separations due to non-disability mental conditions in an easily retrievable manner and conduct a comprehensive review of separation program designator codes, as well as any information shown on the Department of Defense Form 214.
- (2) Take steps to ensure there is an appropriately staffed process to identify administratively separated enlisted National Guard members who are unable to function effectively in the National Guard because of a non-disability mental condition.
- (3) Direct the military services to update their administrative separation policies to be consistent with DOD regulations for those service members separated for all non-disability mental conditions.
- (4) Ensure the military services implement processes to oversee separations for non-disability mental conditions, such as reinstituting the requirement of annual compliance reporting of a sample of administrative separations, using current DOD policy requirements as review criteria for service members of all military services and their Reserve Components.
- (5) Ensure that the military services planned oversight of separations for non-disability mental conditions is implemented and incorporates Reserve and National Guard members separated for such conditions, or that the services implement other processes to oversee such administrative separations using current DOD policy requirements as review criteria for all service members, including Reserve and National Guard members.
- (6) Direct the Under Secretary of Defense for Personnel and Readiness to review any processes used by the military services to oversee such administrative separations to ensure compliance with DOD policy requirements.

Joint surveillance and target attack system sustainment report:

The E-8C aircraft was developed for ground surveillance, targeting, and battle management. Air battle managers onboard the E-8C joint surveillance target attack radar system (JSTARS) aircraft use its wide-area ground surveillance radar to build situation awareness and identify targets which are passed to strike assets or cross-cued with other intelligence, surveillance, and reconnaissance platforms.

The committee notes that the Department of the Air Force plans a JSTARS recapitalization program which would replace the aging E-8C aircraft with a modern, more efficient, and capable aircraft and mission systems, with an initial operational capability of 2023 and a full operational capability in subsequent years. Until the JSTARS replacement aircraft attains full operational capability, the committee believes that the current E-8C JSTARS aircraft will require a modest amount of sustainment funding, especially to address the issue of diminishing manufacturing sources.

Therefore, the committee directs the Secretary of the Air Force to submit a report to the congressional defense committees by February 15, 2016, which describes all actions required to avoid degradation to the performance of the E-8C radar and fleet, each upgrade required to meet minimum warfighter requirements for combat operations and to pace evolving threats during this period, and the Secretary's plan, schedule and budgets to accomplish this objective between fiscal years 2016 and the time that the JSTARS replacement aircraft achieves full operational capability.

Next Generation Joint Surveillance Target Attack Radar System operational Concepts:

The budget request contained \$44.3 million in PE 37581F for the Next Generation (NextGen) Joint Surveillance Target Attack Radar System (JSTARS) program. The committee is aware that the Department of the Air Force has a requirement for a new manned command-and-control/intelligence, surveillance, reconnaissance aircraft given that the current, high-demand E-8C JSTARS aircraft are facing low availability rates, end-of-life issues, and growing sustainment costs.

The committee encourages the Air Force to take into consideration a platform that is able to grow and adapt for unknown future threats and game-changing technologies. In addition, the committee would like to better understand the relationship between the system requirements and how the Department of the Air Force intends to employ JSTARS in the future. Therefore, the committee directs the Secretary of the Air Force to provide a briefing to the House Committee on Armed Services by February 29, 2016, detailing the planned operational mission concepts for the NextGen JSTARS. This briefing should include, but not be limited to, how the aircraft and mission system will be employed in various phases of peacetime and combat operations. Additionally, the briefing should explain concepts for mission training, aircraft maintenance, force protection, aircraft security, crew manning, and future sustainability and modernization to include growth margin. The committee recommends \$44.3 million, the full amount requested, in PE 37581F for the NextGen JSTARS program.

Comptroller General Assessment of Army and Air Force Training Requirements:

For more than a decade, the Army and Air Force focused the training of their forces on supporting operations in Iraq and Afghanistan. Commanders established a range of resource-intensive training requirements deemed necessary to conduct missions in these locations and de-prioritized training in other areas. In the coming years, both the Army and Air Force will confront an increasingly complex security environment that will demand a wider range of missions, such as defeating terrorist organizations and responding to other emerging threats. To accomplish a broader set of missions, both military departments have established plans to refocus their training to conduct the full spectrum of military operations.

However, they face an environment of constrained budgetary resources until at least 2021. For example, in fiscal year 2013, the Department of Defense's operation and maintenance accounts were reduced by approximately \$20.00 billion under sequestration. Due to these reductions, the Army curtailed training for all units except those deployed, preparing to deploy, or stationed overseas; and the Air Force ceased flight operations from April through June 2013 for about one-third of Active Duty combat units and reduced the number of larger training exercises. The services face the possibility of sequestration-level funding again in fiscal year 2016.

The committee is concerned about the Army's and Air Force's ability to balance training investments with available resources and believes the services will need to fundamentally re-examine the requirements for training their forces. It further believes the military departments should explore whether they can achieve additional efficiencies or cost savings in their training approaches, such as by increasing reliance on simulator technologies to meet some training tasks.

Therefore, the committee directs the Comptroller General of the United States to provide to the congressional defense committees a report, by April 1, 2016, that evaluates Army and Air Force training requirements and includes an assessment of the following:

- (1) The extent to which the Army and Air Force have established readiness goals, plans, and timeframes to train their forces for full-spectrum operations;
- (2) The extent to which the Army and Air Force have adjusted training plans and identified resource needs in light of their experiences preparing forces for contingency operations in Iraq and Afghanistan;
- (3) The extent to which the Army and Air Force have considered options for increasing the use of simulated training and other technologies to achieve efficiencies or other cost savings in their training programs; and
- (4) Any other issues the Comptroller General determines appropriate with respect to Army and Air Force training. The committee also directs the Comptroller General to provide a briefing to the House Committee on Armed Services by March 1, 2016, on the Comptroller General's preliminary findings.

Comptroller General Assessment of Plans to Rebuild Readiness:

For more than a decade the Department of Defense has maintained a high pace of operations, and supporting those operations has had a severe impact on the readiness of the overall force. Today, relatively few non-deployed forces could assemble quickly to perform their full mission should a large-scale crisis occur. In recent months, the service chiefs have begun to sound an increasingly shrill alarm about the impacts this pace has had on their units and the personnel in them. The service chiefs have raised questions about their ability to maintain the current pace and rebuild readiness, especially if budgets are reduced to sequestration levels. Steady-state combatant command demands are high and growing, with some key current demands going unmet. Looking forward, demands are not likely to recede, as forces are now needed to stabilize emerging crises in the Middle East and Eastern Europe. According to the service chiefs, it will be at least 5 to 8 years (2020 to 2023) before their respective services can rebuild acceptable overall readiness levels.

Amid declining budgets and force structure, the committee is growing increasingly concerned about the Department's ability to rebuild readiness while meeting the persistent demands of the combatant commands. To inform its oversight, the committee directs the Comptroller General of the United States to submit a report to the congressional defense committees by April 1, 2016, that provides a comprehensive, independent assessment of the Department of Defense's efforts to rebuild readiness. The reviews that support this assessment should consider historical readiness trends and focus on assessing the plans of the military services going forward including:

- (1) The force structure planned to meet strategic guidance;

- (2) The goals for rebuilding required readiness and the underlying assumptions and analysis behind those goals;
- (3) The departmental or military service efforts to set interim goals and assess progress toward those goals; and
- (4) The barriers, if any, facing the military services in reaching their readiness goals and plans to mitigate those barriers.

The review should consider how the Department and military services will identify and address key capability and capacity gaps across the Department for major combat units as well as low-density units and personnel who are in perennially high demand. In assessing the plans, the Comptroller General should also consider how the Department intends to balance the demands of the combatant commands in the future with the need to provide a more sustainable pace for service members.

Given the key role of the military services in rebuilding readiness, the Comptroller General should, at a minimum, provide reports that assess the plans of the Departments of the Army, Air Force, and Navy. The Comptroller General may, at his discretion and in consultation with the committee, provide additional reports that address recurrent themes across the Department, cross-cutting issues, or other issues deemed appropriate. The committee further directs the Comptroller General to provide a briefing to the House Committee on Armed Services by February 15, 2016, on the Comptroller General's preliminary findings.

Civil Support Team Information Management System:

The committee is aware that the National Guard Bureau Weapons of Mass Destruction-Civil Support Teams (CST) currently field a system called 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. Given that other National Guard Bureau forces, such as the Chemical, Biological, Radiological, Nuclear, and High explosive Enhanced Response Force Package (CERFP) and Homeland Defense Response Force (HRF) units are in need of similar capabilities, and in order for these forces to effectively communicate and operate during large scale domestic events, the committee encourages the National Guard Bureau to expand CIMS to those CERFP and HRF forces.

Furthermore, the committee believes it is important that this CIMS capability increase interoperability and efficiently use prior investments to expand and enhance communication capability without creating unwarranted redundancy.

Therefore, the committee directs the Secretary of Defense to provide a report to the Committee on Armed Services of the House of Representatives by November 1, 2015, detailing what steps have been taken to date to expand CIMS to CERFP and HRF units, as well as what action is planned with regard to the expansion of CIMS to CERFP and HRF forces to include timeline, milestones, and a detailed description of any other influencing factors.

Comptroller General Review of Homeland Response Forces:

The National Guard has completed fielding 10 regionally aligned Homeland Response Forces to assist civil authorities in responding to disasters, including Chemical, Biological, Radiological, Nuclear, and Explosives (CBRNE) incidents. The Homeland Response Forces are also meant to serve as a bridge between initial National Guard response to an incident and the arrival of assistance from Federal military forces. Each Homeland Response Force is designed to provide life-saving, command and control, and security capabilities and is expected to plan, train, and exercise within its designated region with the goal of establishing links between local, State, and Federal authorities. Previous Government Accountability Office work identified personnel, training, equipment, and command and control challenges with related National Guard response forces that

could materially affect the preparedness or operational effectiveness of the Homeland Response Forces. The committee directs the Comptroller General of the United States to assess the preparedness of the Homeland Response Forces to accomplish their mission. The Comptroller General should provide a briefing on preliminary results of the assessment to the House Committee on Armed Services by March 1, 2016.

The assessment should address the following:

(1) The current state of readiness of each Homeland Response Force with respect to personnel, training, and equipment on hand, and their capability to respond to CBRNE events.

(2) The extent to which the Department of Defense has integrated the Homeland Response Forces operationally with other Federal and State-level response forces, including the National Guard's Civil Support Teams and CBRNE Enhanced Response Force Packages, and the Defense CBRNE Force.

(3) Any related matters the Comptroller General finds appropriate. The committee further directs the Comptroller General to provide the Comptroller General's final results to the House Committee on Armed Services at a subsequent date and format to be agreed upon at the time of briefing.

Cyber Support to Civil Authorities:

The committee recognizes that the danger of disruptive and destructive cyber attacks is growing and that the U.S. military and civilian cyber infrastructure is being targeted by malicious government, criminal, and individual actors who try to avoid attribution. Although the Department of Defense generally does not resource support to civil authorities in response to a domestic cyber incident, the Department possesses an array of capabilities that may be requested when civilian response capabilities are overwhelmed or exhausted, or in instances where the Department offers unique capabilities not likely to be found elsewhere. For instance, the nexus with the authorities and responsibilities of the National Guard provides a valuable link between military capabilities and civilian State, local, tribal and Federal needs.

In 2012, the Government Accountability Office highlighted gaps in the Department of Defense's plans and guidance for assisting civil authorities in the event of a domestic cyber incident. The committee notes that the Department of Defense has worked in coordination with the Department of Homeland Security and the Department of Justice to agree upon shared roles and responsibilities for Federal cyber security. The committee also notes that among the challenges the Department of Defense continues to face are determining the scope of the potential cyber support it may be requested to provide, and the appropriate mixture and involvement of Active and Reserve Component military cyber forces to meet anticipated defense cyber civil support needs. In testimony before the Subcommittee on Emerging Threats and Capabilities on March 4, 2015, the Commanding General of U.S. Army Cyber Command stated that "While title 10 authorities are clear, title 32 and State active duty require the application of varied State constitutional, legislative, and executive authorities and coordination with state Agencies and officials. While every State is different, there is merit in developing a common approach for authorities and capabilities to facilitate rapid and effective response in cyberspace."

Therefore, the committee directs the Comptroller General of the United States to assess the Department of Defense's plans and actions for providing support to civil authorities in the event of a domestic cyber incident, and to provide a report on the findings to the Committees on Armed Services of the Senate and the House of Representatives. The Comptroller General should provide a briefing on preliminary results to the House Committee on Armed Services by March 1, 2016, with the report to follow on a date agreed to at the time of briefing.

The assessment should address the following:

(1) To what extent has the Department of Defense planned and identified its critical capabilities for responding to domestic cyber civil support incidents, including the use of Active and Reserve Component cyber capabilities and personnel for civil support?

(2) To what extent has the Department of Defense trained and exercised for domestic cyber civil support incidents and coordinated with the Department of Homeland Security and other relevant Federal agencies?

(3) To what extent has the Department of Defense or the Department of Homeland security developed a common approach for title 32 and State Active Duty forces that balances the differences in State approaches, authorities, and responsibilities?

C-130 modernization plan

The budget request contained \$8.5 million for procurement of C-130 modifications but included no funds for the T-56 3.5 engine modification or for the C-130 eight-bladed propeller upgrade. The T-56 3.5 engine modification lowers fuel consumption, improves performance, and improves engine life, and the eight-bladed propeller upgrade improves the thrust of the C-130's engine. In the committee report (H. Rept. 113-446) accompanying the Howard P. "Buck" McKeon National Defense Authorization Act for Fiscal Year 2015, the committee expressed a concern that the Department of the Air Force has not been taking actions to ensure that the C-130H aircraft fleet is being upgraded with modifications that address obsolescence, diminishing manufacturing sources, and increased operations and sustainment costs. The committee notes that for fiscal year 2016, the C-130H modernization program includes a center wing box replacement program and a program to address certain airspace compliance concerns. The committee supports this modernization program and encourages the Air Force to address cockpit modifications required to mitigate obsolescence and diminishing manufacturing sources. The committee believes that a comprehensive program should be developed to ensure that the C-130H has a service life through 2040 as currently planned.

The committee notes that the report of the 2014 Quadrennial Defense Review states that the Department of the Air Force will maintain 300 combat-coded C-130H and C-130J aircraft in the tactical airlift fleet inventory to support requirements and the objectives of the 2012 Defense Strategic Guidance. The committee further notes that the Department plans to divest C-130 aircraft in the Future Years Defense Program so that the tactical airlift fleet is reduced to 308, and the committee believes that that the Department of the Air Force inventory of C-130 aircraft should not be less than 308 aircraft. To provide for improved C-130H propulsion performance, reliability, and efficiency, the committee recommends \$71.7 million for C-130 modifications, an increase of \$33.2 million for the T-56 3.5 engine modification and an increase of \$30.0 million for the C-130 eight-bladed propeller upgrade.

C-130H Modernization

The committee is encouraged that the Chief of Staff of the Air Force has proposed a plan that finally addresses the committee's longstanding concern for the modernization of C-130H aircraft that reside primarily in the National Guard and Reserve components of the Department of the Air Force.

The Department of the Air Force has briefed the committee on multiple occasions on a new plan, which is being referred to as the Avionics and Modernization Program (AMP) Increments 1 and 2 that appears to address many of the committee's concerns. However, the committee remains concerned that the plan's timeline for implementation may still leave some C-130H aircraft non compliant with future airspace requirements and still susceptible to increased diminishing manufacturing sources (DMS) and obsolescence issues. Specifically, the proposed timeline proposes to complete certain Federal Aviation Administration (FAA) compliance concerns by 2022, two years after FAA direction, requiring noncompliant aircraft to seek waivers or limit flight operations. Additionally, the AMP increment 2 only supports 8 aircraft modernizations per year which also does not appear to support a fleet viability requirement.

The committee supports an acceleration of the modernization effort both in terms of meeting FAA compliance by the 2020 deadline and acceleration of the increment 2 modernization plan.

Therefore, the committee directs the Secretary of the Air Force to submit a report on the implementation of C-130H AMP Increments 1 and 2 to the congressional defense committees by March 1, 2016. At a minimum, this report should address:

- (1) The timeline for implementation of both AMP Increments 1 and 2;
- (2) An assessment to accelerate AMP Increment 1 to ensure all C-130H aircraft are compliant with all airspace requirements by 2020 to include the possibility of using existing contracting offices such as the Rapid Acquisition Office to accelerate these upgrades;
- (3) An assessment to accelerate the build rate for AMP Increment 2 in order to address future DMS and obsolescence issues; and (4) Any plans for recapitalization of Air National Guard and Air Force Reserve C-130 aircraft.

The committee understands that the Department of the Air Force will require additional resources to begin implementing this new plan and therefore recommends \$10.0 million for C-130 AMP, an increase of \$10.0 million.

Optimizing National Guard Training

The committee is concerned about the burden of temporary duty (TDY) and travel-dependent raining regimes on some National Guard service members, including those Guard members requiring specialized certifications. The committee notes that many National Guard members have demanding civilian employment in addition to military service. The committee believes that the National Guard should optimize training regimes to minimize the amount of TDY and travel required to retain certifications and currency.

Increased use of virtual and constructive training, including simulation, may help alleviate some of the burden on Guard members by reducing time away from families and civilian employment. In order for the committee to better understand this issue, not later than September 30, 2015, the Chief of the National Guard Bureau shall provide a briefing to the House Committee on Armed Services on options for better optimizing National Guard training regimes.

Army UH-60A to UH-60L Conversions for the National Guard

The budget request contained \$46.5 million in Aircraft Procurement, Army and \$227.9 million in Operation and Maintenance, Army for 40 UH-60A to UH-60L conversions.

The committee notes that based on the Army's current budget projections that Army National Guard units will not be able to replace their aging UH-60A Blackhawk aircraft until the end of fiscal year 2023. The committee further notes that this timeline depends on three separate Army programs: production of new UH-60M helicopters; the UH-60V upgrade program; and the UH-60A to UH-60L conversion program. The committee supports acceleration of all three programs in order to accelerate the timeline for replacement of UH-60A helicopters in the Army National Guard. Elsewhere in this Act, the committee includes legislation that would further explore acceleration options. However, the committee also supports action in fiscal year 2016 to generate additional upgraded UH-60 helicopters. The committee understands that the maximum number of UH-60A to UH-60L conversions in fiscal year 2016 is 48 helicopters.

The committee recommends \$55.4 million, an increase of \$8.8 million, in Aircraft Procurement, Army and \$314.6 million, an increase of \$86.7 million, in Operation and Maintenance, Army for 48 UH-60A to UH-60L conversions.

Bradley Fighting Vehicles

The committee is aware that the US Army is working to standardize its fleet of Bradley Fighting Vehicles to two digital configurations; the M2A3 and the M2A2 ODS-SA. The committee understands that the majority of Active Duty and National Guard units are equipped with the most advanced versions of these vehicles that include digitized fire control and communications

systems. The committee is aware that two units in particular, the 11th Armored Cavalry Regiment and the Nevada National Guard, as well as several other active duty Brigade Engineer Battalions are equipped with the least modernized M2A2-ODS variant.

The committee acknowledges that the Bradley Family of Vehicles, to include the M2A2 ODS, M2A2 ODS-SA, and M2A3, share the same materiel engineering and construction with no differences in protection or survivability and that all three variants are deployable for combat. The committee is concerned that soldiers in the units M2A2 ODS versions lack the technical proficiency necessary to operate the advanced Bradley vehicles utilized in combat operations. The committee is concerned that this could degrade combat effectiveness and pose additional risk to units who deploy with the older Bradley variant.

The committee understands that the Army provides new equipment training for units scheduled to fall-in on equipment with unfamiliar capabilities upon deployment to combat theaters of operation. The committee also understands that the Army maintains a program of record for remanufacturing M2A2-ODS Bradley's that ceased production in 2014 and notes that the budget request did not include funding to modernize these remaining vehicles. As such, the committee directs the Secretary of the Army to brief the House Committee on Armed Services by February 15, 2016 on what resources would be required to maintain the readiness and technical proficiency of these units as well as current and long terms plans for modernizing the remaining vehicles.

M1 Abrams Tank Fleet Configuration

The committee notes that the M1A2 System Enhancement Program (SEP) v2 Abrams tank is the Army's premier ground combat system and has demonstrated its value on the battlefields of Iraq. Its built-in test system ensures that diagnosis and repair are fast and efficient, improving combat availability and saving operational costs. Improved digital displays provide tank commanders and crews with a better understanding of their tank's operational status and their situation on the battlefield.

However, despite the capabilities of the M1A2 SEP v2, the committee is aware that the Army maintains two configurations of Abrams tanks, and believes that this dual configuration is inefficient and increasingly expensive. The committee further notes that all Armor Brigade Combat Teams (ABCT) in the active component are equipped with M1A2 SEP v2 tanks, but that only two out of seven ABCTs in the National Guard are equipped with new M1A2 SEP v2 tanks. The other five ABCTs in the National Guard, and the three separate Combined Arms Battalions, are equipped with less-capable M1A1 Situational Awareness (SA) tanks. The committee is also aware that Army schools currently provide training solely on M1A2 SEP v2s, meaning that Army National Guard soldiers attending an Army armor school are trained on M1A2 SEP v2 tanks, which is not the vehicle they will operate in their units. Finally, the committee also notes that the Army intends to begin fielding a new version of the M1 Abrams tank, the M1A2 SEP v3, in 2018. The committee understands that this tank will be an incremental improvement from the M1A2 SEP v2 and retain significant commonality.

The committee believes that the Army should take advantage of upcoming changes to its ABCT force structure to achieve a pure fleet of M1A2 SEP v2 tanks across both the active duty Army and Army National Guard. The committee believes that maintaining only one type of tank in the Army will reduce support and training costs, allow better integration the Army National Guard, and provide a more capable overall tank fleet for the Army. The committee directs the Secretary of the Army to provide a briefing to the House Committee on Armed Services by January 30, 2016, on the potential force structure changes and production programs necessary to achieve a pure fleet of M1 Abrams tanks across the Army.

A-10 aircraft

The committee notes that the Department of the Air Force plans to retire 164 A-10 aircraft in fiscal year 2016. For fiscal year 2015, the Department of the Air Force proposed the retirement of 100 A-10 aircraft and in H.R. 4435, the Howard P. "Buck" McKeon National Defense Authorization Act for Fiscal Year 2015, as reported by the House Committee on Armed Services, the committee included a provision that would prohibit the use of funds authorized to be appropriated for the Department of Defense to be obligated or expended to retire A-10 aircraft. The committee notes that since last year, A-10 aircraft have been deployed for combat in Operation Inherent Resolve and to Europe as part of theater security packages. The committee continues to believe that the capabilities provided by the A-10 including persistent, effective, and precise close air support; interdiction; airborne forward air control; combat search and rescue; and strike control and reconnaissance, are critical to meet national security requirements. The committee further notes that with the proposed retirement of the 164 A-10 aircraft in fiscal year 2016, the Department expects to be 181 fighter aircraft short of its 2,000-aircraft fighter requirement, and the committee believes that retiring 164 A-10 aircraft in fiscal year 2016 presents an unacceptable capacity risk.

Air National Guard Wildfire Assistance

The committee notes that the U.S. Global Change Research Program has determined that the frequency of large wildfires and the length of the fire season have increased substantially in recent decades. The committee acknowledges that the U.S. Geological Survey Federal Fire Occurrence Database indicates that the occurrences of catastrophic wildfires in the United States are more prevalent in the western half of the country. Air National Guard units flying C-130 aircraft equipped with Modular Airborne Firefighting System (MAFFS) have been an integral part of wildfire suppression, saving not only property but lives. The committee acknowledges that as catastrophic wildfires continue to grow in severity, it is important to provide the assistance of our Air National Guard. The committee believes that MAFFS should be located in positions that maximize the effectiveness of MAFFS units consistent with the highest probability of risk for the United States.

Therefore, the committee directs the Secretary of the Air Force to prepare a brief to the House Committee on Armed Services by September 1, 2015 that assess the locations of C-130 MAFFS units. Such a briefing should provide a listing of the current United States Air Force units, their utilization rates, and a future force allocation determination that most efficiently utilizes the MAFFS units. This briefing shall specifically assess opportunities to expand coverage of MAFFS units in the western United States.

Air Refueling Recapitalization Strategy

The committee notes that the Department of Defense continues to develop a long-range plan to replace the KC-10 Extender and KC-135 Stratotanker fleets with the KC-46A Pegasus, as well as the KC-Y and KC-Z programs. The committee strongly reiterates the importance of maintaining our nation's robust air-refueling capability in a current fiscal environment that has required our forces to be more agile and rapidly deployable. Therefore, the committee directs the Secretary of the Air Force to brief the Committee on Armed Services of the House of Representatives by September 30, 2015 on the Air Force's long-range air refueling recapitalization plans, including the Air Force's strategy to meet air refueling demands specific to the Asia-Pacific area of responsibility.

F-16 block 40/50 mission training center

The budget request did not contain any funds for other aircraft support equipment and facilities, or for the procurement of an F-16 block 40/50 mission training center for the Air National Guard. An F-16 block 40/50 mission training center (MTC) is a distributed mission operations-capable flight simulator for F-16 block 40 and 50 weapons systems. Each MTC includes high-fidelity simulator cockpits, instructor operator stations, a threat server, and briefing and debriefing capability. Each MTC is also capable of linking to geographically distributed high-fidelity combat and combat support training devices including command and control and intelligence, surveillance, and reconnaissance systems. This capability allows the warfighters at home station to exercise and

train at the operational and strategic levels of war, as well as conduct networked unit-level training. The committee notes that the F-16 block 40/50 MTC allows F-16 block 40 and block 50 pilots to train in scenarios that are either impossible or too expensive to conduct in home-station flying training, and believes that the MTC significantly improves F-16 pilot skill and readiness to perform actual combat missions with increased effectiveness. The committee understands that F-16 block 40/50 MTCs are currently planned for Hill Air Force Base (AFB), Shaw AFB, and Holloman AFB in the continental United States. The committee further understands that other F-16 block 40 or 50 pilots located in the continental United States would need to travel to one of the three MTC locations, and believes an additional MTC would save travel costs and make the F-16 block 40/50 MTC more available to Active Duty, Reserve, and Air National Guard F-16 block 40 and 50 pilots, resulting in enhanced readiness.

Consequently, the committee recommends \$24.7 million for other aircraft support equipment and facilities, an increase of \$24.7 million, for procurement of an additional MTC for the Air National Guard.

Joint surveillance and target attack system sustainment report

The E-8C aircraft was developed for ground surveillance, targeting, and battle management. Air battle managers onboard the E-8C joint surveillance target attack radar system (JSTARS) aircraft use its wide-area ground surveillance radar to build situation awareness and identify targets which are passed to strike assets or cross-cued with other intelligence, surveillance, and reconnaissance platforms. The committee notes that the Department of the Air Force plans a JSTARS recapitalization program which would replace the aging E-8C aircraft with a modern, more efficient, and capable aircraft and mission systems, with an initial operational capability of 2023 and a full operational capability in subsequent years. Until the JSTARS replacement aircraft attains full operational capability, the committee believes that the current E-8C JSTARS aircraft will require a modest amount of sustainment funding, especially to address the issue of diminishing manufacturing sources.

Therefore, the committee directs the Secretary of the Air Force to submit a report to the congressional defense committees by February 15, 2016, which describes all actions required to avoid degradation to the performance of the E-8C radar and fleet, each upgrade required to meet minimum warfighter requirements for combat operations and to pace evolving threats during this period, and the Secretary's plan, schedule and budgets to accomplish this objective between fiscal years 2016 and the time that the JSTARS replacement aircraft achieves full operational capability.

KC-46A quarterly report

The committee supports the current acquisition strategy associated with the KC-46A aircraft. Therefore, the committee directs the Under Secretary of Defense for Acquisition, Technology, and Logistics to discontinue the quarterly reporting associated with the KC-46A aircraft required in the committee report (H.Rept. 112-78) accompanying the National Defense Authorization Act for Fiscal Year 2012.

F-16 active electronically scanned array radar upgrade

The budget request contained \$148.3 million in PE 27133F for F-16 squadrons, but contained no funding to conduct integration and testing for an F-16 active electronically scanned array (AESA) radar upgrade.

The committee notes that, despite the termination of the combat avionics programmed extension suite (CAPES), the Department of the Air Force is considering a new effort to upgrade F-16 radars from the current APG-68 system to a modern AESA radar system. Further, the committee understands that this potential radar upgrade program is based upon a developing joint operational urgent need (JOUN) that specifically requires an AESA radar upgrade to the F-16 aircraft that

perform the aerospace alert control mission. The committee supports taking all appropriate steps to meet this JUON as soon as possible.

The committee expects the Department of the Air Force to minimize program concurrency between development, testing, and production for any such F-16 AESA radar upgrade. Specifically, the committee expects the Department to proceed in a manner that ensures proper integration and testing of radar upgrades so that the AESA upgrades meet requirements. Accordingly, the committee recommends \$198.3 million, an increase of \$50.0 million, in PE 27133F to conduct integration and testing for an F-16 AESA radar upgrade, and encourages the Department of the Air Force to budget for development and procurement of this upgrade in the Future Years Defense Program.

National Guard and Reserve Component Equipment Account

The budget request for Overseas Contingency Operations contained no funding for National Guard and Reserve Component equipment account. Elsewhere in this Act, the committee notes that the base budget request contained \$3.1 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. For example, the committee notes there are significant modernization and capability challenges associated with the current Air National Guard aircraft charged with the Aerospace Control Alert mission.

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 aircraft, 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, semi permanent humidity controlled aircraft shelters, chemical/biological protective shelters, internal and external fuel tanks for rotorcraft, F-16 center display units, 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 \$3.1 billion, the full amount of the base budget request, for National Guard and Reserve equipment.

SENATE REPORT (114-49)

Limitation on retirement of Air Force fighter aircraft: The committee recommends a provision that would amend section 8062 of title 10, United States Code, by adding a new subsection requiring the Secretary of the Air Force to maintain a minimum total active inventory of 1,950 fighter aircraft, within which The provision would also provide additional limitations on fighter retirements by requiring the Secretary of the Air Force to certify to the defense committees that: (1) the retirement of such fighter aircraft will not increase the operational risk of meeting the National Defense Strategy; and (2) the retirement of such aircraft will not reduce the total fighter force structure below 1,950 fighter aircraft or primary mission aircraft inventory below 1,116 and would require a report setting forth the following: (a) The rationale for the retirement of existing fighter aircraft and an operational analysis of replacement fighter aircraft that demonstrates performance of the designated mission at an equal or greater level of effectiveness as the retiring aircraft; (b) An assessment of the implications for the Air Force, the Air National Guard, and the Air Force Reserve of the force mix ratio of fighter aircraft; and (c) Such other matters relating to the retirement of fighter aircraft as the Secretary considers appropriate.

Lastly, the provision would also require a report at least 90 days prior to the date on which a fighter aircraft is retired that includes the following: (1) A list of each aircraft in the inventory of fighter aircraft, including for each such aircraft: (a) the mission design series type; (b) the variant; and (c) the assigned unit and military installation where such aircraft is based. (2) A list of each fighter aircraft proposed for retirement, including for each such aircraft: (a) the mission design series type; (b) the variant; and (c) the assigned unit and military installation where such aircraft is based. (3) A list of each unit affected by a proposed retirement listed under (2) above and how such unit is affected. (4) For each military installation and unit listed under (2)(c) above, changes, if any, to the designed operational capability (DOC) statement of the unit as a result of a proposed retirement. (5) Any anticipated changes in manpower authorizations as a result of a proposed retirement listed under (2) above.

The committee understands the Air Force determined through extensive analysis that a force structure of 1,200 primary mission aircraft and 2,000 total aircraft is required to execute the National Defense Strategy with increased operational risk. Subsequently, based on the 2012 Defense Strategic Guidance and fiscal constraints, analysis showed the Air Force could decrease fighter force structure by approximately 100 additional aircraft; however, at an even higher level of risk.

The committee acknowledges that the original F-35 procurement plan projected 516 F-35A variants to be delivered by fiscal year 2016, but schedule delays and subsequent re-baselining of the program now projects only 103 F-35A aircraft delivered by fiscal year 2016. This occurred simultaneously with the Air Force retiring over 400 fighter aircraft in the period since fiscal year 2010. These factors result in a fighter aircraft shortfall that will gradually improve as the F-35A procurement rate increases. The Air Force currently fields 54 fighter squadrons in fiscal year 2015. The proposed fiscal year 2016 retirement of an additional five A-10 combat squadrons would reduce the total to 49 fighter squadrons. Of the 49 squadrons remaining in fiscal year 2016, the Air Force estimates less than half would be fully combat mission ready.

Therefore, the committee has proposed a provision elsewhere in this act prohibiting the retirement of additional A-10 aircraft. The limitation on total aircraft numbers proposed by the committee in the provision would allow the Air Force to stand down one 24 primary assigned aircraft squadron at Hill Air Force Base in fiscal year 2016, in order to transition the people and resources of the squadron to the F-35A aircraft.

The committee believes further reductions in fighter force capacity, in light of ongoing and anticipated operations in Iraq and Syria against the Islamic State of Iraq and the Levant, coupled with a potential delay of force withdrawals from Afghanistan, poses excessive risk to the Air Force's ability to execute the National Defense Strategy, causes remaining fighter squadrons to deploy more frequently, and drives even lower readiness rates across the combat air forces. The committee expects the Air Force to execute the fiscal year program in accordance with the spirit and intent of this provision (sec. 132).

Prohibition on retirement of A-10 aircraft: The committee recommends a provision that would prohibit the use of any funds during fiscal year 2016 to retire, prepare to retire, or place in storage any A-10 aircraft. The provision would also require the Secretary of the Air Force to maintain a minimum of 171 A-10 aircraft in primary mission aircraft inventory (combat-coded) status. The committee directs the Secretary of the Air Force to commission an independent entity outside the Department of Defense to conduct an assessment of the required capabilities and mission platform to replace the A-10 aircraft. The committee expects the Air Force to execute the fiscal year program in accordance with the spirit of this provision.

The committee believes that the Air Force is proposing the retirement of the A-10 fleet purely on the basis of the fiscal environment and not on grounds of the ability of the combat air forces to effectively meet the requirements of the combatant commanders and defense strategy. The committee also believes that with the A-10 fleet currently engaged in operations against the Islamic State of Iraq and the Levant (ISIL), providing a theater security package in Europe to assure our allies and partners, and continuing rotational deployment operations to Afghanistan, divesting this capability at this time incurs unacceptable risk in the capacity and readiness of the combat air forces without a suitable replacement available.

Additionally, in fiscal year 2015 the Air Force implemented the move of 18 A-10s to backup aircraft inventory status, reducing all but two of the A-10 fleet's combat squadrons to 18 primary assigned aircraft each. Specifically, the Secretary of the Air Force should ensure that the Air Force does not close or consolidate A-10 units, make changes to standard sustainment processes, or reduce A-10 pilot training or A-10 flying hours disproportionately to reductions applied to pilots or flying hours for other Air Force aircraft. Additionally, the provision would require the Secretary of the Air Force to ensure that the Air Force maintains a minimum of 171 A-10 aircraft designated as primary mission aircraft inventory (PMAI) to retain viable combat squadron sizes through sufficient primary assigned aircraft.

The committee also recommends an increase of \$279.7 million for Operation and Maintenance, Air Force; \$16.2 million for Research, Development, Test and Evaluation, Air Force; and \$38.5 million for Procurement of Ammunition, Air Force. The committee recommends no increase in Air Force military personnel accounts. The Air Force is encouraged to find the billets necessary to fill A-10 and F-35 manpower authorizations from within the 2,200 billets reduced from its management headquarters and its 6,000 billet increase request authorized in title IV of this Act. The committee expects that the Secretary and Chief of Staff of the Air Force will use some of the thousands of military positions freed up in the 4-year, 30 percent reduction of headquarter and defense agency staffs to recruit the necessary maintenance personnel for these aircraft. The committee believes that combat capability, not headquarters staffs, should be the priority of the service leaders (sec. 134).

Limitation on transfer of C-130 aircraft: The committee recommends a provision that would place a limitation on all of the funds authorized or appropriated by this Act or otherwise made available for fiscal year 2016 for the Air Force that may be obligated or expended to transfer from one facility of the Department of Defense to another any C-130H aircraft, initiate any C-130 manpower authorization adjustments, retire or prepare to retire any C-130H aircraft, or close any C-130H unit until 90 days after the date on which the Secretary of the Air Force, in consultation with the

Secretary of the Army, and after certification by the commanders of the XVIII Airborne Corps, 82nd Airborne Division, and United States Army Special Operations Command, certifies to the committees on Armed Services of the Senate and of the House of Representatives that: (1) the United States Air Force will maintain dedicated C-130 wings to support the daily training and contingency requirements of the XVIII Airborne Corps, 82nd Airborne Division, and United States Army Special Operations Command at manning levels required to support and operate the number of aircraft that existed as part of the regular and reserve Air Force operations in support of such units as of September 30, 2014; and (2) failure to maintain such Air Force operations will not adversely impact the daily training requirement of those airborne and special operations units (sec. 136).

F-15 capability upgrades: The budget request included \$464.4 million in Aircraft Procurement, Air Force (APAF), for F-15 fighter aircraft modifications. The F-15 series of fighter aircraft will be operated through the 2030 decade, and must have capability upgrades to increase its operational effectiveness against advanced threats and operate in increasingly contested environments, and training aircraft modified to mirror combat configurations for the most effective aircrew training. Additional funding was included in the Chief of Staff of the Air Force's unfunded priorities list.

Therefore, the committee recommends an increase of \$11.6 million for the Eagle Passive/Active Warning Survivability System (EPAWSS), an increase of \$48.0 million for six F-15C advanced electronically scanned array (AESA) radar upgrades, an increase of \$192.5 million for 24 F-15D AESA radar upgrades, and an increase of \$10.0 million for Advanced Display/Core Processor II (ADCP II) upgrades to support AESA upgrades. The total recommended increase for APAF is \$262.1 million.

C-130H avionics modernization program: The budget request included no funding in Aircraft Procurement, Air Force (APAF), for the C-130H Avionics Modernization Program (AMP). The committee believes the term "avionics modernization program of record for C-130 aircraft" in section 134 of the Carl Levin and Howard P. 'Buck' McKeon National Defense Authorization Act for Fiscal Year 2015 (Public Law 113-291) includes C-130H safety modifications and airspace compliance modifications that will be required to operate in both Federal Aviation Administration-controlled airspace and International Civil Aviation Organization-controlled airspace after January 1, 2020.

The current Air Force plan includes making those airspace compliance modifications within the C-130H Avionics Modernization Program (AMP) effort. However, as the Air Force plan for making airspace compliance modifications (AMP Increment 1) would not achieve airspace compliance for the entire C-130H aircraft fleet until well after that deadline, the committee expects the Air Force to accelerate the AMP Increment I schedule as rapidly as possible.

Additionally, the committee also expects the Air Force to accelerate the effort for AMP increment 2 modifications, using previously purchased components and leveraging research and development efforts to the maximum extent practical. The committee expects the Air Force to comply with the spirit and intent of section 134 of the Carl Levin and Howard P. 'Buck' McKeon National Defense Authorization Act for Fiscal Year 2015 (Public Law 113-291) for executing the C-130H AMP program of record.

The committee understands that the Air Force is restructuring the AMP program of record, but also recognizes that it has no completed design, cost estimates, or schedule plan on how it will execute AMP Increment 2. The committee expects the Air Force to continue to execute AMP and field C-130H aircraft previously upgraded by the AMP program until the Air Force provides a concrete plan that describes the final modification configuration for AMP Increment 2, a service cost position, and a procurement and installation schedule that would realistically support a fleet viability requirement.

Therefore, the committee recommends an increase of \$75.0 million in APAF for C-130H AMP aircraft modifications.

C-130H Propulsion System Enhancements: The budget request included \$7.0 million in Aircraft Procurement, Air Force (APAF), for C-130 modifications. The Air National Guard and Air Force Reserve will operate C-130H aircraft for the next two decades. Enhancements to the C-130H propulsion system will provide increased performance, improved fuel efficiency, and greater reliability. Therefore, the committee recommends increases of \$33.2 million for T-56 3.5 Engine Modifications, \$1.5 million for In-flight Propeller Balancing System certification, and \$13.5 million for Electronic Propeller Control System for a total increase in APAF of \$48.2 million.

Army UH-60A to UH-60L conversions for the National Guard: The committee is aware that the UH-60 Black Hawk helicopter is one of the most versatile and heavily used aviation capabilities in the Army National Guard, as well as by all the states in which they serve. The UH-60A is the oldest model Black Hawk in service and currently flown almost exclusively by the Army National Guard. Although old, these A-model Black Hawks continue to provide a reliable and critically important medium-lift capability to the National Guard in support of its state role in homeland defense and support for civil authorities in response to emergencies. While the Army National Guard currently uses UH-60A Black Hawk helicopters for the range of state and domestic requirements for medium-lift, the lack of modern on-board capabilities means these helicopters are not ordinarily available for deployment overseas into hostile environments without significant upgrades to their current configuration.

The committee notes that based on the Army's current budget projections Army National Guard units will not replace their aging UH-60A Black Hawk helicopters until the end of fiscal year 2025. This naturally results in higher operational tempo and increased flight hours for the rest of the Army's rotary wing aviation in support of overseas contingency operations. To sustain the readiness and increase the availability of the Army National Guard's UH-60 fleet, and close the A-model capability gap, the committee encourages the Army to review the feasibility of accelerating the replacement of all UH-60A aircraft through the production of new UH-60M helicopters, the UH-60V upgrade program, and the conversion of A-model Black Hawks to UH-60L model aircraft.

Comptroller General of the United States review of the implementation of recommendations from the National Commission on the Structure of the Air Force: Section 1055 of the Carl Levin and Howard P. "Buck" McKeon National Defense Authorization Act for Fiscal Year 2015 (Public Law 113-291) requires that, not later than 30 days after the date of the submittal to Congress pursuant to section 1105(a) of title 31, United States Code, of the budget of the President for each of fiscal years 2016 through 2019, the Secretary of the Air Force shall submit to the congressional defense committees a report on the response of the Air Force to the 42 specific recommendations of the National Commission on the Structure of the Air Force in the report of the Commission pursuant to section 363(b) of the National Commission on the Structure of the Air Force Act of 2012 (subtitle G of title III of Public Law 112-19 239; 126 Stat. 1704). The committee received the initial report from the Secretary of the Air Force in March 2015.

The committee is concerned that although the Air Force was required by the statute to provide discernible milestones for review of the recommendations or preliminary implementation plans, none were included in the initial report. Additionally, several of the Commission's recommendations concerned the force mix ratio between the active and reserve components, which the Air Force elected to review through its High Velocity Analysis process. None of the analysis from this process was included in the report. Additionally, section 138 of the Carl Levin and Howard P. "Buck" McKeon National Defense Authorization Act for Fiscal Year 2015 (Public Law 113-291) required the Secretary of the Air Force to submit to the congressional defense committees an assessment of the costs and benefits of the proposed transfer from one facility of the Department of Defense to another of C-130H or C-130J aircraft. The committee received this report in April 2015.

The committee is concerned that while the Air Force stated it would provide a review of the force mix balance between the active and reserve components through its High Velocity Analysis process, and in response to specific recommendations of the National Commission on the Structure of the Air Force, no reference to observations, conclusions, or recommendations are found in the C-130 force structure report that refers to this High Velocity Analysis review process on the C-130 mission area.

In addition, the report also contains no range or weighting of criteria, similar to the Air Force's strategic basing process that would determine the operational effectiveness of stationing C-130 units at one location over another.

The committee directs the Comptroller General of the United States to review the Air Force's methodology and effectiveness in its effort to plan for and implement the National Commission recommendations. The review should include, at a minimum, assessments of: (1) the Air Force's plans for review and implementation of the Commission's recommendations; (2) the sufficiency of the Air Force's High Velocity Analysis process to provide decision level information to senior Air Force leaders on appropriate force mix balance between the components; (3) the applicability and appropriateness of the models used in the High Velocity Analysis process; (4) the decision process used following data collection and analysis; and (5) any other matters the Comptroller General determines are appropriate during the review.

The Comptroller General shall submit a preliminary review to the congressional defense committees not later than August 31, 2015, and a final report to follow on February 1, 2016.

Modification of requirements for transferring aircraft within the Air Force inventory: The committee recommends a provision that would amend section 345 of the Ike Skelton National Defense Authorization Act for Fiscal Year 2011 (Public Law 111—383) to ease administrative burdens and facilitate non-contentious transfers of aircraft from the Air Reserve Components (ARC) to the regular component of the Air Force (RegAF).

The provision would remove uncontentious, routine transfers, and short-term transfers from Section 345 reporting requirements. The provision also would exempt transfers that terminate the reserve component's interest in the aircraft (due to aircraft retirement or mission transfer) when that transfer has been the subject of prior notification to the defense committees.

Additionally, the provision would direct administrative changes, such as requiring a signature from the Chief of the Air Force Reserve (a staff position) rather than the Commander, Air Force Reserve Command (a command position) and removing references to "ownership" of the aircraft. Because title vests in the United States government, aircraft ownership does not transfer; the components are merely assigned possessory rights. The provision would clarify that when a written agreement is required, only leaders of the affected components need sign the agreement. For example, an agreement documenting a 180-day transfer of aircraft from the Air National Guard to the Regular Air Force would not require signature by the Chief of the Air Force Reserve.

The provision would not create an oversight vacuum or allow aircraft transfers to occur without coordination and agreement. The Air Force would still be required to comply with Department of Defense Instruction 1225.06, Equipping the Reserve Forces, May 16, 2012, Enclosure 3, which requires coordination, approval, and a written agreement signed by a general officer or civilian equivalent for equipment transfers, including aircraft (sec. 341).

Limitation on use of funds for Department of Defense sponsorships, advertising, or marketing associated with sports-related organizations or sporting events: The committee recommends a provision that would prohibit the Department of Defense (DOD) from using appropriated funds to

procure sponsorships, advertising, or marketing associated with sports-related organizations or sporting events until the Director, Accessions Policy within the Office of the Under Secretary of Defense for Personnel and Readiness conducts a review of current departmental activities in this area, including those by the active duty, reserve, and guard components to ensure that such activities enable the DOD to achieve recruiting goals and provide an appropriate return on investment. The committee is aware that for fiscal year 2016, DOD has requested \$507.5 million to fund its advertising activities.

While the committee recognizes that sports marketing and advertising activities can help DOD achieve its recruiting and retention goals, the committee is also concerned that in a period of declining budgets, the Department may not be ensuring that it is maximizing its return on investment of sports marketing and advertising funds. In particular, the committee is concerned with the Department's continued use of funds for sports-related sponsorships, advertising and marketing. The committee notes that DOD components do not appear to be utilizing specific metrics, such as leads generated that lead to recruit accessions, in a uniform and consistent way to measure the return on investment associated with these activities. The committee further notes that the approach to managing contracts used to procure these activities differs across DOD components, and in the case of the Army National Guard, is highly decentralized and managed at the individual state level. The committee is concerned that such differences and decentralization hinder the ability to apply best practices, minimize potential duplication, and ensure that appropriate oversight into these activities occurs.

Accordingly, the committee directs the Comptroller General of the United States to assess DOD sponsorship, sports marketing and advertising activities, including the active duty, and reserve, and guard components. The assessment shall include, but not be limited to: (1) Whether DOD marketing and advertising activities are achieving their stated goals; (2) How DOD determines whether its marketing and advertising activities are effective and providing an appropriate return on investment; (3) The extent to which the effectiveness of DOD marketing and advertising activities are consistent with best commercial practices; (4) DOD actions to reduce unnecessary redundancies in its marketing and advertising activities; and (5) an assessment of the activities required under section (a)(1) and (a)(2) in this provision.

The committee directs the Comptroller General to deliver a report to the Committees on Armed Services of the Senate and the House of Representatives no later than March 1, 2016 (sec. 342).

Army and Air National Guard Operation Phalanx increase: The budget request included \$6.7 billion in Operation and Maintenance, Army National Guard (OMARNG), of which \$88.7 million was for SAG 114 Theater Level Assets and \$943.6 million was for SAG 116 Aviation Assets. The budget request also included \$6.9 billion in Operation and Maintenance, Air National Guard (OMANG), of which \$740.7 million was for SAG 11G Mission Support Operations.

The committee remains concerned that the southern border of the United States remains insecure. The committee notes that in testimony on March 12, 2015, Admiral William Gortney, Commander of U.S. Northern Command stated that "the southern border can be more secure." At the same hearing General John Kelly, Commander of U.S. Southern Command testified that "with the amount of drugs and people that move across our southwest border, it doesn't seem all that secure to me."

The committee notes that the Army National Guard has been providing support to the Department of Homeland Security along the southwest border under a program entitled Operation Phalanx since 2010. Since its inception, Operation Phalanx has consisted of ground-based Entry Identification Teams, criminal analyst support, and aerial surveillance support to civil authorities along the southwest border. According to the Army National Guard, since Operation Phalanx

began in July of 2010, operations have contributed to the apprehension of over 122,000 individuals and the seizure of over 377,000 pounds of marijuana.

Accordingly, the committee recommends the following increases in OMARNG: \$7.7 million for SAG 114 Theater Level Assets and \$13.0 million for SAG 116 Aviation Assets. Additionally, the committee recommends an increase of \$2.6 million in OMANG for SAG 11G Mission Support Operations.

Army National Guard portrait cuts: The budget request included \$6.7 billion in Operation and Maintenance, Army National Guard (OMARNG), of which \$59.6 million was for SAG 431 Administration.

The committee understands that a portion of the requested increase is for the Chief National Guard Bureau (CNBG) Heritage Paintings, which the CNGB commissions each year. The committee also understands that this increase would be to pay for a backlog of four other paintings at a cost of \$62,500 thousand per painting, which includes personnel and framing associated costs. The committee believes these funds should be realigned to support higher priority readiness requirements.

Accordingly, the committee recommends a decrease of \$250,000 in OMARNG for SAG 431 Administration.

Army National Guard marketing program reduction: The budget request included \$283.6 million in Other Personnel Support within Operation and Maintenance, Army National Guard (OMARNG), of which \$283.0 million was for SAG 434 Other Personnel Support.

The committee understands that \$11.5 million is an increase to the Army Marketing Program. The committee believes that these funds should be realigned to support higher priority readiness requirements.

Accordingly, the committee recommends a decrease of \$11.5 million for SAG 434 Other Personnel Support.

Army National Guard readiness funding increase: The budget request included \$6.7 billion in Operation and Maintenance, Army National Guard (OMARNG), of which \$166.8 million was for \$943.6 million in SAG 116 Aviation Assets and SAG 123 Land Forces Depot Maintenance.

The committee understands that the Army National Guard has identified specific amounts in these readiness accounts that could accelerate readiness recovery while also increasing both actual and simulated flying hour programs increasing aviator readiness.

Accordingly, the committee recommends the following increases in OMARNG: \$39.6 million in Aviation Assets and \$22.5 million for SAG 123 Land Forces Depot Maintenance.

A-10 Operation and Maintenance Buyback: The budget request included \$38.1 billion for Operation and Maintenance, Air Force (OMAF), \$3.0 billion in Operation and Maintenance, Air Force Reserve (OMAFR), and \$6.9 billion in Operation and Maintenance, Air National Guard (OMANG).

The committee believes that the Air Force is proposing the retirement of the A-10 fleet purely on the basis of the fiscal environment and not on grounds of the ability of the combat air forces to effectively meet the requirements of the combatant commanders and defense strategy. The committee also believes that with the A-10 fleet currently engaged in operations against the Islamic State of Iraq and the Levant, providing a theater security package in Europe to assure our

allies and partners, and continuing rotational deployments operations to Afghanistan, divesting this capability at this time incurs unacceptable risk in the capacity and readiness of the combat air forces without a suitable replacement available.

Accordingly, the committee recommends the following increases for A-10 buyback: \$235.3 million in OMAF, \$2.5 million in OMAFR, and \$42.2 million in OMANG.

End strengths for reserves on active duty in support of the reserves: The provision also expresses the sense of Senate that the National Guard Bureau should account for States that routinely recruit and retain members of the National Guard in excess of State authorizations when allocating full-time duty personnel. The committee further recommends that the Chief of the National Guard Bureau shall take into account the actual number of members of the Army National Guard of the United States serving in each State as of September 20 each year when allocating full-time duty personnel in the Army National Guard of the United States (sec. 412).

Chief of the National Guard Bureau authority in increase certain end strengths applicable to the Army National Guard: The committee recommends a provision that would provide the Chief of the National Guard Bureau with the authority to increase the fiscal year 2016 end strength of the Selected Reserve personnel of the Army National Guard as specified in section 411(a)(1) by up to 3,000 members, the end strength of the Reserves serving on fulltime duty for the Army National Guard as specified in section 412(1) by 615 Reserves, and military technicians (dual status) for the Army National Guard as specified in section 413(1) by 1,111. The provision contains a limitation stating that the Chief of the National Guard Bureau may only increase an end strength using the authority contained in this section if such increase is paid for entirely out of the readiness funds appropriated for fiscal year 2016 for Operation and Maintenance, Army National Guard (sec. 416).

Authority to designate certain Reserve officers as not to be considered for selection for promotion: The committee recommends a provision that would modify section 14301 of title 10, United States Code, to authorize the secretaries of the military departments to defer promotion consideration for reserve component officers in a non-participatory (membership points only) status. Currently, section 14301 of title 10, United States Code, requires service members identified on the Reserve Active Status List to be considered for promotion to the next higher grade. This includes certain categories of reservists on the Reserve Active Status List who, by Department of Defense guidance, are in the Individual Ready Reserve and the Standby Reserve and who remain eligible for promotion consideration, but are not actively participating in Reserve duty because they are in a status in which they are receiving membership only points for Reserve credit.

Under current law, some individuals assigned to the Individual Ready Reserve may be discharged from the reserve component upon their second deferral for promotion because they are considered to have twice failed for promotion. This provision would provide the reserve component flexibility to remove individuals from promotion consideration during a period when they are least competitive for promotion, and would allow the services to retain service members with significant military training as well as civilian technical and professional skills that could contribute to their desirability for selection to be promoted should the individual elect to return to military service (sec. 511).

Duty required for eligibility for pre-separation counseling for members being discharged or released from active duty: The committee recommends a provision that would amend section 1142 of title 10, United States Code, to require the Secretary concerned to provide pre-separation counseling to all Active-Duty service members and all reserve component service members called or ordered to Active Duty or full-time operational support after completion of their first 180 continuous days of service whose discharge or release from Active Duty is anticipated as of a specific date (sec. 521).

Termination of program of educational assistance for reserve component members supporting contingency operations and other operations: The committee recommends a provision that would

sunset the program of educational assistance for reserve component members supporting contingency operations and other operations in 4 years after the date of enactment of this Act. The committee agrees with the finding of the Military Compensation and Retirement Modernization Commission that this program is duplicative with the Post-9/11 GI Bill, which provides a more robust benefit for service members (sec. 532).

Comptroller General of the United States reports on prevention and response to sexual assault by the Army National Guard and the Army Reserve: The committee recommends a provision that would require the Comptroller General of the United States to submit a report of the extent to which the Army National Guard and Army Reserve have in place policies and programs to prevent and respond to incidents of sexual assault involving members of the Army National Guard and Army Reserve, and provide medical and mental health services to members of the Army National Guard and Army Reserve following a sexual assault, and to identify whether service in the Army National Guard or Army Reserve pose challenges to the prevention of or response to sexual assault. The Comptroller General will provide the initial report Congress not later than April 1, 2016 (sec. 556).

Thrift Savings Plan participation for members of the uniformed services: The committee recommends a series of provisions that would implement recommendations of the Military Compensation and Retirement Modernization Commission concerning reform and modernization of the military retirement benefit for new entrants into service. This provision would provide a government-matching Thrift Savings Plan (TSP) element for those who would enter uniformed service on or after January 1, 2018, or a member serving before that date who makes a voluntary election to opt-in to the new plan. The TSP element would provide a 1 percent automatic agency contribution to all uniformed service members who would reach 60 days of service and continue until they would reach their second year of service. Once a service member passes the 2 years of service point, that member's TSP account would vest and the Secretary concerned would begin matching TSP contributions up to 5 percent of that service member's base pay at 2 years and 1 day of service. Uniformed service members would be automatically enrolled at 3 percent matching contributions with the option to raise or lower their contribution level. TSP government-funded matching contributions would continue until a uniformed service member reaches 20 years of service (sec. 631).

The committee notes that all uniformed service members who would enter and serve prior to the date of implementation of the modernized retirement system would be grandfathered into the old retirement system.

Modernized retirement system for members of the uniformed services: The committee recommends a provision that would establish a new military retirement defined benefit that, when combined with the government-matching Thrift Savings Plan, as described elsewhere in this Act, would comprise a new hybrid retirement system. This new system would apply to new entrants after January 1, 2018, and to those already serving members who choose to opt-in to the new system. The new defined benefit would continue to apply only to those members who reach 20 years of service, with a multiplier rate of 2.0 times years of service rather than the current rate of 2.5 times years of service (sec. 632).

Lump sum payments of certain retired pay: The committee recommends a provision that would allow the voluntary election of lump sum payments of retired pay for those serving 20 or more years of service. Members who elect to take the lump sum may choose to take 100 percent or 50 percent of the discounted present value of their defined retirement benefit that would be due to them prior to becoming fully eligible for Social Security (sec. 633)

The committee strongly urges the Secretaries concerned to coordinate with the Secretary of Veterans Affairs on counseling, or otherwise informing, new retirees on the impact this election may have on their eligibility for certain benefits administered by the Secretary of Veterans Affairs.

Continuation pay after 12 years of service for members of the uniformed services participating in the modernized retirement systems: The committee recommends a provision that would direct the Secretary concerned to provide continuation pay to service members, serving under the new military retirement system described above, who reach 12 years of service contingent upon such members agreeing to serve another 4 years of service. A member receiving continuation pay may elect to take the continuation pay in a lump sum or in installments of not more than four payments. A member who receives continuation pay and fails to complete the obligated service requirement shall be subject to repayment.

The rate for active duty continuation pay would be 2.5 times a member's monthly basic pay with the Secretary concerned having discretionary authority to increase that amount to up to 13 times monthly basic pay for retention and force shaping purposes. The rate for members of the reserve components would be 0.5 times a reserve member's monthly basic pay with the Secretary concerned having discretionary authority to increase that amount to up to 6 months of monthly basic pay as needed for retention and force shaping purposes. The committee notes that the secretaries concerned would manage continuation pay through their special and incentive pay accounts and should take into consideration any other incentive pay a member may be receiving with any concurrent service obligations owed (sec. 634).

Management of military technicians: The committee recommends a provision that would convert not less than 20 percent of the general administration, clerical, and office service occupation positions identified in the report of the Secretary of Defense under section 519 of the Ike Skelton National Defense Authorization Act for Fiscal Year 2011 (Public Law 112–81; 125 Stat. 1397) from military technician (dual status) positions to positions filled by individuals who are employed under section 3103 of title 5, United States Code, by no later than January 1, 2017. The committee also recommends the phased-in termination of military technicians (non-dual status) to begin on January 1, 2017.

The committee directs the Secretary of Defense to submit by February 1, 2016, to the Committees on Armed Services of the Senate and the House of Representatives, and to the Comptroller General of the United States, a report setting forth the Department of Defense's plan for converting military technician (dual status) positions to positions filled by individuals who are employed under section 3103 of title 5, United States Code, to include: (1) An analysis of placing such individuals under the control and authority of the State Adjutants General; (2) an analysis of the employment rights that will now be granted to such individuals; (3) an analysis of any statutory change the Secretary believes is necessary to execute this provision; and (4) such other mechanisms for implementation that the Secretary shall recommend, as appropriate (sec. 1046).

Reserve component Cyber Protection Teams: The committee has a strong interest in Department of Defense (DOD) plans for establishing Cyber Protection Teams (CPTs) in the reserve components to meet the needs of United States Cyber Command (CYBERCOM), and the states, in defending DOD networks and assisting the states in the event of serious cyber attacks.

The committee notes that the Army and the Army reserve components intend to field 21 CPTs in fiscal years 2016–2018, one in active status, and 10 each in the Guard and Reserve. These CPTs are not currently planned to be included in the forces assigned to CYBERCOM. The Air Force intends to establish 12 CPTs in the Air National Guard, which will be manned to achieve the equivalent of 2 active CPTs dedicated to the Cyber Mission Forces (CMF) on behalf of the Air Force.

The committee commends the Department and the reserve components for planning for a robust number of CPTs, but has concerns about implementation. Specifically, training costs have not been budgeted yet, and the Department does not yet have a plan for sustaining the current training

infrastructure after fiscal year 2016, when funding provided by the Office of the Secretary of Defense for the standup of the CMF ends.

The Army Reserve included \$10.6 million in the budget request for training the 3 CPTs it plans to establish in fiscal year 2016. However, the \$9.0 million required to train the 3 Army National Guard CPTs to be fielded in 2016 has not yet been allocated. Outyear funding to train the remaining 14 CPTs is not budgeted.

The committee directs the following actions. First, the committee directs the Army and Army National Guard to notify the congressional defense committees when a decision is made to allocate funding in fiscal year 2016 for training the CPTs.

Second, the committee directs the Secretary of the Army, the Secretary of the Air Force, the Principal Cyber Advisor (PCA), the Commander of CYBERCOM, and the Chief of the National Guard Bureau to report to the congressional defense committees on how the basing and intended use of the reserve component CPTs reflects an appropriate balance between, on the one hand, the core mission of the reserve component's CPTs to provide surge capacity for CYBERCOM, and, on the other hand, the needs of the states, and the defense of the reserve components' networks.

Third, the committee directs the PCA, the Service Secretaries, and the Commander of CYBERCOM to develop a plan for the Services to sustain the individual training capabilities that have been centrally funded and maintained since the CMF were first created. The committee urges the Department to create a federated and joint training model and discourages having each service build separate training capabilities for its cyber contingent. The committee directs that the plan provide for a training capacity in fiscal years 2017 and 2018 that is adequate to complete all required training for the reserve component CPTs and the sustainment of the active CMF units. The plan should be available for briefing to the congressional defense committees when the President submits the budget request for fiscal year 2017.

Guard and Reserve Forces Facilities – Summary: The Department of Defense requested authorization of appropriations of \$517.3 million for military construction in fiscal year 2016 for facilities for the National Guard and reserve components.

The committee recommends authorization of appropriations of \$636.8 million for military construction in fiscal year 2016 for facilities for the National Guard and reserve components. The detailed funding recommendations are contained in the state list table included in this report.

The committee recognizes that in difficult budget times military construction funding is often deferred in favor of other priorities and notes the National Guard and Reserve forces have identified significant unfunded military construction priorities, including a tactical aerial unmanned systems hangar at Fort Stewart, Georgia; an equipment concentration point at Fort A.P. Hill, Virginia; an access control point at Fort Buchanan, Puerto Rico; an aviation classification and repair depot at Gulfport, Mississippi; a fire station/security complex at Dobbins, Georgia; a space control facility at Cape Canaveral, Florida; an F-22 composite repair facility at Joint Base Pearl Harbor-Hickam, Hawaii; a building modification for the KC-46 fuselage trainer at Pease, New Hampshire; operations and deployment facilities at Bradley Air National Guard Base, Connecticut; and a vehicle maintenance shop at Camp Foley, Alabama. The committee notes that these projects were identified as the top unfunded priorities of their respective service chiefs or the Chief of the National Guard Bureau. Funding for these projects has been added as outlined in the tables in this title and section 4601.

Extending Special Victims' Counsel eligibility for civilian sexual assault survivors: The statute requiring the military services to provide Special Victims' Counsel (SVC) to certain victims of alleged sex-related offenses identifies the following individuals as eligible for this assistance: (1)

Active duty service members and their dependents; (2) Reserve and National Guard members when on active duty or inactive duty and their dependents; (3) retired service members and their dependents; and (4) certain civilians overseas. Initial reports indicate this novel program that provides victims with their own attorney to represent them during the investigation and prosecution of sexual offenses is well-received by survivors of sexual assaults.

In its initial report, the Judicial Proceedings Panel (JPP), established by section 576 of the National Defense Authorization Act for Fiscal Year 2013 (Public Law 112–239) to conduct an independent review and assessment of judicial proceedings conducted under the Uniform Code of Military Justice, expressed the following initial observation: “The JPP is concerned that the statutory basis creating eligibility for SVC services is tied to eligibility for legal assistance services. This requirement precludes the program from supporting all victims of sexual assault perpetrated by Service members, because many such individuals are not eligible for legal assistance under the statute.” The committee agrees with this observation. Many civilian survivors of a sexual assault perpetrated by a service member are not familiar with the military. Navigating the military justice system is especially confusing for civilians unaccustomed to military culture and procedure. Further, this lack of familiarity is compounded by fact that many survivors are young and financially disadvantaged.

The committee directs the Secretary of Defense to assess the feasibility of providing Special Victims’ Counsel to civilian survivors of sexual assaults by a service member who are not otherwise eligible for legal assistance services from the military and to submit a report to the Committees on Armed Services of the Senate and the House of Representatives not later than August 31, 2015. The assessment should address the impact on the current SVC program of extending SVC eligibility to civilian survivors; views of civilian bar associations on providing legal representation to civilians not entitled to legal assistance; and the feasibility of a pilot program in which National Guard and Reserve judge advocates provide military justice and victim advocacy training to civilian attorneys serving military communities.

National Guard and Reserve headquarters

The committee notes that the reserve component, both the National Guard and Reserves, are key components of the Department of Defense’s (DOD) organizational structure and strategic capability. Reserve components comprise approximately 50 percent of the Army’s total end strength, while reserve components comprise about 30 percent of the Air Force’s total end strength. The committee notes that the Government Accountability Office (GAO) found in 2013 that amid the DOD’s efforts to trim budgets by finding efficiencies and reducing overhead, some reserve component headquarters have grown. In its report, the GAO found the processes intended to efficiently size and oversee reserve component headquarters have not been consistently applied.

The committee is interested in determining whether DOD has taken steps to eliminate overlapping, fragmented, or duplicative functions within the National Guard and Reserve headquarters could lead to greater efficiencies and cost reductions within the reserve components. Accordingly, the committee directs the Comptroller General of the United States to evaluate the extent to which the National Guard and Reserves have taken steps to eliminate or consolidate overlapping, fragmented, or duplicative functions, and whether the National Guard reviewed its Joint Force Headquarters for greater efficiencies by consolidating roles that are filled by both Army and Air National Guard members.

Army and Army Reserve readiness unfunded priorities increases: The budget request included \$31.7 billion in Operation and Maintenance (OMA), of which \$1.2 billion was for SAG 123 Land Forces Depot Maintenance, \$2.6 billion was for SAG 132 Facilities Sustainment, Restoration & Modernization (FSRM) and \$981.0 million was for SAG 321 Specialized Skill Training. The budget

request also included \$2.6 billion in Operation and Maintenance, Army Reserve (OMAR), of which \$59.5 million was for SAG 123 Land Forces Depot Maintenance.

The Army has identified specific amounts in these readiness accounts that could help accelerate readiness recovery. The committee notes that these recommended increases will restore critical depot maintenance as well as increase both cyber and unmanned aircraft systems training capabilities. Additionally, the committee understands these funds will maintain the operations of strategic missile defense test sites. Accordingly, the committee recommends the following increases in OMA: \$77.2 million for SAG 123 Land Forces Depot Maintenance, \$34.0 million for SAG 132 FSRM, and \$33.2 million for SAG 321 Specialized Skill Training. The committee also recommends an increase of \$32.4 million in OMAR for SAG 123 Land Forces Depot Maintenance.

Streamlining Management Headquarters: The budget request included \$35.1 billion for Operation and Maintenance, Army (OMA), of which \$7.4 billion was for Administration and Service wide Activities, \$2.6 billion in Operation and Maintenance, Army Reserve (OMAR), of which \$105.8 million was for Administration and Service wide Activities, \$6.7 billion in Operation and Maintenance, Army National Guard (OMARNG), of which \$430.1 million was for Administration and Service wide Activities, \$42.2 billion for Operation and Maintenance, Navy (OMN), of which \$4.3 billion was for Administration and Service wide Activities, \$6.2 billion for Operation and Maintenance, Marine Corps (OMMC), of which \$471.8 million was for Administration and Service wide Activities, \$1.0 billion for Operation and Maintenance, Navy Reserve (OMNR), of which \$1.0 billion was for Administration and Service wide Activities, \$277.0 million for Operation and Maintenance, Marine Corps Reserve (OMMCR), of which \$20.5 million was for Administration and Service wide Activities, \$38.1 billion for Operation and Maintenance, Air Force (OMAF), of which \$5.6 billion was for Administration and Service wide Activities, \$3.0 billion in Operation and Maintenance, Air Force Reserve (OMAFR), of which \$88.5 million was for Administration and Service wide Activities, \$6.9 billion in Operation and Maintenance, Air National Guard (OMANG), of which \$54.2 million was for Administration and Service wide Activities, and \$32.4 billion for Operation and Maintenance, Defense-wide (OMDW), of which \$7.1 billion was for Administration and Service wide Activities.

The committee is concerned that duplicative activities may exist between the staff of the Office of the Secretary of Defense, the Joint Staff, the military services, and many defense agencies. In addition, new regulations and procedures have been implemented over the years that drive many of these costs. The committee recommends a reduction of 7.5 percent to the Defense-wide and military service operations and maintenance accounts for Administration and Service wide Activities. Accordingly, the committee recommends undistributed decreases to the following Administration and Service wide Activities accounts: \$238.4 million to OMA, \$6.0 million to OMAR, \$26.6 million to OMARNG, \$209.8 million to OMN, \$32.5 million to OMMC, \$1.3 million to OMNR, \$1.4 to OMMCR, \$276.2 million to OMAF, \$4.6 million to OMAFR, \$3.0 million to OMANG, and \$897.5 million to OMDW for streamlining of headquarters management.

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. The committee understands the IRT program offers complex and challenging training opportunities for domestic and international crises, opportunities which can seldom be replicated outside of these crises. The committee is also aware that states that utilize the IRT program include Alabama, Alaska, California, Colorado, Hawaii, Indiana, Maine, Mississippi, Missouri, Montana, New Mexico, New York, North Dakota, Ohio, and South Dakota. The committee encourages the Department of Defense to continue to utilize the IRT programs as

well as the other training opportunities that also provide hands-on and mission-essential training and are available to Active, Reserve, and National Guard forces.

Comptroller General of the United States review of the Department of Defense special and incentive pay program: Since 2010, the Department of Defense (DOD) has conducted ongoing reviews to determine the effectiveness and efficiency of its special and incentive pay programs. The committee also understands that, in addition to these reviews, DOD continues to implement the consolidation of these pays in accordance with subtitle F of the National Defense Authorization Act for Fiscal Year 2008 (Public Law 110–181). Many factors such as emerging technologies and new missions impact on the types of skills and competencies that the DOD needs to meet mission requirements. The committee is concerned that changes may be needed now to ensure the efficacy of the special and incentive pay program. The committee believes that these pays are not an entitlement. The DOD must continue to carefully scrutinize special and incentive pays, ensuring they are used where needed, particularly in a fiscal environment where every dollar counts, to ensure these pays are used effectively, but not superfluously, to ensure successful recruitment, retention, and assignments in the All-Volunteer Force.

The committee directs the Comptroller General of the United States to review the effectiveness of the DOD's special and incentive pays program and provide preliminary observations no later than February 5, 2016, and a report to follow on a date agreed to at the time of the preliminary briefing. The review should include: (1) an examination of both active and reserve component special and incentive pay programs, particularly those programs used to recruit and retain individuals for service in high skill occupations such as nuclear maintenance and engineering, pilots, critical language skills, information technology, cyber warfare, and special operations; (2) an analysis of a market-based program that would incentivize top, difficult to replace talent and consider civilian contractor alternatives for skill sets that can be obtained elsewhere and utilized by DOD; and (3) the effect of eliminating or limiting authorizations for special and incentive pay for targeted use at critical career points for skills the DOD cannot replace.