



# National Guard Bureau Office of Legislative Liaison



## FY2014 National Defense Authorization Act

*Analysis of P.L. 113-66 the National Defense Authorization Act for  
Fiscal Year 2014*

*As of 26 December 2013*

### ***Bills Status***

	Passed in Committee	Passed in Chamber	Agreement	Final Passage	Signed into Law
House H.R. 3304	<input checked="" type="checkbox"/> 6 June 2013	<input checked="" type="checkbox"/> 14 June 2013	<input checked="" type="checkbox"/> 11 Dec 2013	<input checked="" type="checkbox"/> 12 Dec 2013	<input checked="" type="checkbox"/> 26 Dec 2013
Senate S. 3304	<input checked="" type="checkbox"/> 13 June 2013	*		<input checked="" type="checkbox"/> 19 Dec 2013	

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## Executive Summary

This guide provides only a short summary and analysis of the many National Guard-related provisions. To obtain a complete understanding of any particular provision, users are encouraged to review the actual legislative language contained in the applicable section of the bills, accompanying reports, or public law.

### STATUS

On 10 December, the leaders of the House and Senate Armed Services Committees unveiled the highlights of a comprehensive authorization bill. The House passed the bill on 12 December followed by Senate passage late in the evening on 19 December. No amendments were accepted during floor debate. The President signed the bill on 26 December.

*\* On 14 June the House passed their version of the Fiscal Year 2014 National Defense Authorization Act. Senate Armed Services Committee passed its version of the bill on 13 June, but the full Senate was unable to pass has been unable invoke cloture and advance the bill.*

### HIGHLIGHTS

The fiscal year 2014 Defense Authorization bill includes numerous provisions related to the National Guard, and shows Congress' continued support for the National Guard as an operational force. Many of the provisions directly support the Citizen Soldiers and Airmen of the National Guard:

- Authorizes the State Partnership Program.
- Authorizes pilot program to better utilize the Inactive National Guard.
- Requires a minimum 180 day notification before the cancellation of a deployment and a minimum 120 day notification before a deployment for individuals for the operational reserves.
- Requires the Department of Defense to examine the role of the National Guard in cyber missions.

A full analysis of the agreement and the bills as passed by the House and approved Senate Armed Services Committee can be found below.

## Army National Guard

### Authorization of Funding

(All Dollars in Thousands)

Army National Guard	President's FY14 Budget Request	House Passed	Delta from PB	SASC Approved	Delta from PB	Conference Report	FY14 Delta from PB
O&M*	\$7,054,196	\$7128,396	+\$74,200	\$7,128,396	+\$74,200	\$7,128,396	+\$74,200
OCO O&M*	\$199,371	\$199,371	\$0	\$199,371	\$0	\$199,371	\$0
MILCON*	\$320,815	\$315,815	-\$5,000	\$320,815	\$0	\$315,815	\$0

### Army National Guard End Strength

Army National Guard	President's FY14 Budget Request	House Passed	Delta from PB	SASC Approved	Delta from PB	Conference Report	FY14 Delta from PB
End Strength	354,200	354,200	0	354,200	0	354,200	0
AGR	32,060	32,060	0	32,060	0	32,600	0
Dual Status Technicians	27,210	27,210	0	27,210	0	27,210	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

## Air National Guard

### Authorization of Funding

(All Dollars in Thousands)

Air National Guard	President's FY14 Budget Request	House Passed	Delta from PB	SASC Approved	Delta from PB	Conference Report	FY14 Delta from PB
O&M*	\$6,566,004	\$6,592,904	+\$26,900	\$6,594,204	+\$28,200	\$6,594,204	+\$28,200
OCO O&M*	\$22,200	\$22,200	\$0	\$22,200	\$0	\$22,200	0
MILCON*	\$119,800	\$107,800	-\$12,000	\$119,800	\$0	\$119,800	0

### Air National Guard End Strength

Air National Guard	President's FY14 Budget Request	House Passed	Delta from PB	SASC Approved	Delta from PB	Conference Report	FY14 Delta from PB
End Strength	105,400	105,400	0	105,400	0	105,400	0
AGR	14,734	14,734	0	14,734	0	14,734	0
Dual Status Technicians	21,875	21,875	0	21,875	0	21,875	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 2014 Defense Appropriations Act, or the Fiscal Year 2014 Military Construction Appropriations Act

## Procurement

**Repeal of Limitation on Retirement of KC-135E Aircraft:** The agreement repeals the requirements of the Fiscal Year 2007 (P.L. 109-364) and Fiscal Year 2009 (P.L. 110-417) that limited the retirement of KC-135E aircraft (sec. 131).

**Multiyear Procurement Authority for Multiple Variants of the C-130J:** The agreement would allow the Secretary of the Air Force to enter into one or more multiyear contracts to procure C-130J aircraft (sec. 132).

**Prohibition on the Cancellation or Modification of Avionics Modernization Program for C-130 Aircraft:** The agreement prohibits the Secretary of the Air Force from terminating the legacy C-130H Avionics Modernization Program and requires the Comptroller General conduct a sufficiency review of the cost-benefit analysis conducted under section 143(b) of the National Defense Authorization Act for Fiscal Year 2013 (Public Law 112-239), including any findings and recommendations relating to such review (sec. 133).

**Prohibition of Procurement of Unnecessary C-27J Aircraft by the Air Force:** The agreement prevents the Secretary of the Air Force from obligating or expending any funds for the procurement of C-27J aircraft not already on contract as of June 1, 2013, and narrows the prohibition to the use of funds authorized in fiscal year 2012, since all C-27J funds except the fiscal year 2012 funds have been obligated or transferred to other programs (sec. 134).

### **Limitation on Availability of Funds for Retirement of A-10 Aircraft**

The agreement would (1) prohibit spending funds authorized to be appropriated or otherwise made available during fiscal year 2014 to retire A-10 aircraft (except for A-10s planned for retirement on or before April 9, 2013); (2) modify the prohibited spending to include making significant changes to Global Hawk and A-10 manning levels during fiscal year 2014; (3) Prohibit the Secretary of the Air Force from retiring or planning to retire A-10 aircraft (except for A-10s planned for retirement on or before April 9, 2013) between October 1, 2014 and December 31, 2014 (sec. 143).

## Operations and Maintenance

**Reauthorization of Sikes Act:** The agreement would extend the authority of the Sikes Act through 2019 (sec. 313).

## Military Personnel

**Selective Early Retirement for Regular Officers and Selective Early Removal of Officers from Reserve Active-Status List:** The agreement would require consider that officers with sufficient qualifying service for early removal from the reserve active-status list fall under the same procedures required for an Active Duty selective early retirement board. It would also amend section authorize consideration for selective early retirement of: (1) officers in the regular grade of lieutenant colonel or commander who have failed to be selected for promotion at least one time, and (2) officers in the grade of colonel, or in the case of the Navy, captain, who have served on active duty in that grade for at least 2 years and whose names are not on a list of officers recommended for promotion (sec. 503).

**Suicide Prevention Efforts for Members of the Reserve Components:** The agreement would authorize the Secretary of Defense to share with the adjutant general of a state, upon request, the contact information of members of the Individual Ready Reserve and individual mobilization augmentees in order for the adjutant general to include those members in suicide prevention efforts. The agreement would also authorize education and outreach for suicide prevention in the existing pilot program on enhancements of Department of Defense efforts on mental health in the National Guard and reserves through community partnerships (sec. 511).

**Removal of Restrictions on the Transfer of Officers Between the Active and Inactive National Guard:** The agreement would authorize the transfer of officers of the Army and Air National Guard from the Selected Reserve to the inactive National Guard and from the inactive National Guard to the Selected Reserve during the period ending on December 31, 2016 (sec. 512).

**Limitation on the Cancellations of Deployment of Certain Reserve Component Units and Involuntary Mobilizations of Certain Reserves:** The agreement requires the Secretary of Defense to personally approve of any decision to cancel the deployment of a reserve component unit within 180 days of its scheduled deployment date when an active-duty unit would be sent instead to perform the same mission, and to notify the congressional defense committees and governors concerned whenever such a decision is made. Service secretaries are to provide at least 120 days advance notice of an involuntary mobilization of a member of a reserve component who is not assigned to a unit or who is to be mobilized apart from the member's unit. This requirement would apply to individual members mobilized on or after the date that is 120 days after the date of enactment of this Act and would sunset on the date of the completion of the withdrawal of United States combat forces from Afghanistan (sec. 513).

**Review of Requirements and Authorizations for Reserve Component General and Flag Officers in an Active Status:** The agreement would require the Secretary of Defense to report the findings and recommendations of a review of the requirements for Reserve Component general and flag officers in an active status (sec. 514).

**Feasibility Study on Establishing a Unit of the National Guard in American Samoa and in the Commonwealth of the Northern Mariana Islands:** The agreement would require the Secretary of Defense to report on the feasibility of establishing a unit of the National Guard in American Samoa and in the Commonwealth of the Northern Mariana Islands (sec. 515).

## **Compensation and Other Benefits**

**Recognition of Additional Means by which Members of the National Guard Called Into Federal Service for a Period of 30 Days or Less May Initially Report for Duty for Entitlement to Basic Pay:** The agreement would recognize additional means by which members of the National Guard called into federal service for a period of 30 days or less may initially report for duty for enlistment to basic pay (sec. 602).

**One-Year Extension of Certain Bonus and Special Pay Authorities for Reserve Forces:** The agreement would extend for one year the authority to pay: the Selected Reserve reenlistment bonus, the Selected Reserve affiliation or enlistment bonus, special pay for enlisted members assigned to certain high-priority units, the Ready Reserve enlistment bonus for persons without prior service, the Ready Reserve enlistment and reenlistment bonus for persons with prior service, the Selected Reserve enlistment and reenlistment bonus for persons with prior service, reimbursement of travel expenses for inactive-duty training outside of normal commuting distance, and income replacement for reserve component members experiencing extended and frequent mobilization for active duty service (sec. 611).

**Expansion to all Reserve Components of Stipend For Registered Nurses in Critical Specialties Under Health Professions Stipend Program:** The agreement would authorize payment of the health professions stipend to a nurse enrolled in an accredited program of nursing in a specialty designated as critical by the Secretary of Defense who is eligible for appointment as a Reserve officer in any of the reserve components. All individuals receiving stipends would be required to agree to serve in the Selected Reserve for one year for each six months for which the stipend is provided (sec. 618).

**Periodic Notice to Members of the Ready Reserve on Early Retirement Credit Earned for Significant Periods of Active Federal Status or Active Duty:** The agreement would require the secretary concerned to periodically notify members of the Ready Reserve having performed qualifying duty under section of their current eligibility age for retired pay by such means as the secretary concerned considers appropriate accounting for the cost of providing notice and the convenience of service members (sec. 632).

## **Health Care Provisions**

**Display of Budget Information for Embedded Mental Health Providers of the Reserve Components:** The agreement would require the Secretary of Defense to include in the documents that support the President's annual budget, a budget justification display for embedded mental health providers of the Reserve Components that includes the amount for each component (sec. 721).

## Department of Defense Organization

**Eagle Vision System:** The agreement would require the Chief of Staff of the Air Force, within 180 days of the enactment of this Act, to submit to the congressional defense committees and intelligence committees a report on the Eagle Vision imagery ground station. The report elements would include a description and assessment of the Department of Defense organizations to which the Eagle Vision system could be transferred, as well as the actions that would need to be taken prior to a transfer, the potential schedule for a transfer, and the possible effects of a transfer on the capabilities or use of the system. The provision would prohibit the Air Force from making changes to the organization and management of the program until 90 days after the submission of the report to Congress (sec. 917).

**Mission Analysis for Cyber Operations of Department of Defense:** The agreement would require the Secretary of Defense to conduct a mission analysis of Department of Defense cyber operations and to provide a report on the results of the mission analysis to the congressional defense committees. The report would assess the manpower needs for cyber operations forces, including military requirements for both active and reserve components and civilian requirements; evaluate the potential roles of the reserve components; identify the existing capabilities, facilities, and plans for cyber activities of the reserve components; assess whether the National Guard, when active in a State status can operate under unique and useful authorities to support domestic cyber missions; assess the appropriateness of hiring on a part-time basis non-dual status technicians who possess appropriate cyber security expertise; and how the Reserve Components could contribute to total force solutions to cyber operations. The agreement also prohibits the reduction in personnel of a cyber unit of the Air National Guard in fiscal year 2014 before the submittal of the report and no reduction in personnel or capacity of a Red Team of the Air National Guard may be implemented unless the report includes a certification that the personnel or capacity to be reduced is directly related to Red Team capabilities that are no longer required. The agreement also requires the Chief of the National Guard Bureau to submit an assessment to the congressional defense committees an assessment of the role of the National Guard in supporting the cyber operations mission of the Department of Defense (sec. 933).

## General Provisions

**Transfer of Aircraft to Other Departments for Wildfire Suppression; Tactical Airlift Fleet of the Air Force:** The agreement requires the Secretary of the Air Force to consider, as part of the recapitalization of the tactical airlift fleet of the Air Force: (1) upgrades to legacy C-130H aircraft designed to help such aircraft meet the fuel economy goals of the Air Force; and (2) retention of such upgraded aircraft in the tactical airlift fleet. It would also require that the Secretary ensure that upgrades to the C-130H fleet are made in a manner that is proportional to the number of C-130H aircraft in the force structure of the active Air Force, the Air Force Reserve, and the Air National Guard. It also directs: (1) The Secretary of the Army offer to transfer eight specific C-23Bs to the Governor of Alaska; (2) the Secretary of Defense transfer up to 15 C-23Bs to the Forest Service; (3) The Coast Guard transfer seven C-130s to the Air Force; (4) the Air Force modify the Coast Guard C-130s to serve as firefighting tanker aircraft for the Forest Service; and (5) the Secretary of Defense transfer 14 C-27J aircraft to the Coast Guard upon completion of these actions. The Secretary of the Air Force and the Secretary of the Army are to provide to the House and Senate Armed Services Committees, not later than January 30, 2014, a quarterly report or briefing on the cost, schedule, and execution of notable events related to the aircraft transfers and modifications required within the provision (sec. 1098).

## Matters Relating to Foreign Nations

**Authorization of National Guard State Partnership Program:** The agreement would authorize the Secretary of Defense, in consultation with the Secretary of State, to establish a program for bilateral or multilateral military-to-military exchanges with the National Guard of a State or territory and the national military forces of a foreign nation ("State Partnership Program"). The provision would also require the publication of new regulations to modify existing regulation to conform to this new authority; provide certain authorization for the payment of expenses; require a series of notifications and reports; and establish a sunset of the underlying authority at the end of fiscal year 2016 (sec. 1205).

## **Other Authorizations**

**Drug Interdiction and Counter Drug:** The agreement authorizes \$938,545,000\* for drug interdiction and counter drug activities of the Department of Defense (sec. 1507).

## **Sexual Assault Prevention and Response and Related Reforms**

**Timely Access to Sexual Assault Response Coordinators by Members of the National Guard and the Reserves:** The agreement would require service secretaries to ensure that each member of the National Guard or Reserve who is the victim of a sexual assault either during the performance of duties as a member of the National Guard or Reserves, or is a victim of a sexual assault by another member of the National Guard or Reserves, has timely access to a Sexual Assault Response Coordinator (sec. 1724).

## **Military Construction**

**Army National Guard Construction and Land Acquisition Projections:** The agreement authorizes funding for 18 projects across 16 states and Puerto Rico (sec. 2601).

**Air National Guard Construction and Land Acquisition Projections:** The agreement authorizes 10 projects across nine states (sec. 2604).

**Authorization of Appropriations:** The agreement authorizes the requested levels of appropriations for the Army and Air National Guard, however the provisions limits obligation of funds for two Air National Guard projects in Maryland until the date on which the Commander of CYBERCOM certifies the projects are: consistent with the organizational manning construct of CYBERCOM; units operating at these facilities are trained to the readiness standards of CYBERCOM; plans for proper mitigation measure are implemented to prevent disclosures; and rules are developed to control access to classified systems (sec. 2606).

**Land Conveyance, Camp Williams Utah:** The agreement would allow the Secretary of the Interior to transfer, without consideration, 420 acres to the State of Utah for the purpose of permitting the Utah National Guard to use the conveyed land for military use (sec. 2835).

**Land Conveyance, Air National Guard Radar Site, Francis Peak, Wasatch Mountains, Utah:** The agreement would authorize the Secretary of the Air Force to convey, without consideration, certain Air National Guard facilities at Francis Peak, Utah, for purposes of permitting the State to use the structures to support emergency public safety communications (sec. 2836).

**Limestone Hills Training Area, MT:** The agreement would provide for the withdrawal and reservation of public lands for Limestone Hills Training Area, Montana (sections 2931 - 2936).



## **H.R. 3304 Explanatory Statement**

### ***A-10 Aircraft***

The agreement notes that the Members intend that the prohibition on making additional A-10 aircraft retirements before December 31, 2014, be to provide breathing space for Congress to conduct oversight and to consider what actions to take on any force structure changes the Air Force may propose in fiscal year 2015.

### ***State Partnership Program***

The agreement notes that the Members intend for engagement with other than the military forces to be focused – to the maximum extent - on disaster response or emergency response. For military-to-military engagement, we anticipate that annual reporting may be done in tabular format, but that the Department of Defense should provide a sufficient level of information so that extensive follow-up is not required. This authority is in no way intended to preclude National Guard personnel from engaging with partnered forces under other Department of Defense and State Department authorities, for example, Joint Combined Exchange Training (10 U.S.C. 2011) and implementation of Foreign Military Financing programs.

### ***Combating Sexual Assault***

The changes to Article 60, UCMJ, included in the agreement significantly restrict the ability of a convening authority to modify the adjudged findings and sentence of a court-martial, except in limited circumstances.

The provision included in the agreement changes Article 32, UCMJ, proceedings from an investigation to a preliminary hearing. Under current law and Rule 405 of the Rules for Court-Martial, an Article 32, UCMJ, investigation includes inquiry into the truth of the matters set forth in the charges, provides a means to ascertain and impartially weigh all available facts in arriving at conclusions and recommendations, and serves as a tool of discovery. The agreement establishes that an Article 32, UCMJ, preliminary hearing has a narrower objective: (1) To determine whether there is probable cause to believe an offense has been committed and the accused committed the offense; (2) Determine whether the convening authority has court-martial jurisdiction over the offense and the accused; (3) Consider the form of the charges; and (4) Recommend the disposition that should be made of the case.

The Secretary of Defense is directed to recommend changes to Rule 405 of the Rules for Court-Martial and other rules, if appropriate, in the Manual for Courts-Martial to facilitate the purposes of the Article 32, UCMJ, preliminary investigation, as revised by the agreement. Changes to the Manual for Courts-Martial shall be completed in time to coincide with the effective date of changes to Article 32, UCMJ, effectuated by this Act.

## House Report 113-102

### ***Combating Sexual Assault in the Military***

The American public holds the U.S. Armed Forces to the highest standards and in great esteem. Consequently, the scourge of sexual assault has no place within these ranks. The committee has made sexual assault prevention and prosecution a cornerstone of this bill.

The bill would reform the Uniform Code of Military Justice (UCMJ) to strip commanders of their authority to dismiss a finding by a court martial or from reducing guilty findings to lesser offenses. The committee bill would also establish minimum sentencing guidelines for sexual assault-related offenses. Currently, such guidelines only exist in the military for the crimes of murder and espionage. The proposed changes to the UCMJ would also enable the victim of a crime to provide the convening authority materials for the convening authority's post-trial consideration; set guidelines for defense council interviews of the victim; and articulate the rights of a crime victim.

Recognizing that victim support is as vital as prosecution, the legislation would allow victims of sexual assault to apply for a permanent change of station or unit transfer, while authorizing the Secretary of Defense to inform commanders of their authority to remove or temporarily reassign service members who are the alleged perpetrators of sexual assault. The committee bill would require the provision of victims' counsels, qualified and specially trained lawyers in each of the services, to be made available to provide legal assistance to the victims of sex related offenses.

Moreover, the bill seeks to improve the climate for reporting of a sex-related offense by adding rape, sexual assault, and other sexual misconduct to the protected communications of service members with a member of Congress or an Inspector General. The committee recommends reforms to improve unit climate assessments, improve the performance evaluation process, increase commander accountability, and help establish a military culture intolerant of sexual assaults through improved security, as well as health and welfare inspections.

Finally, to ensure that the military is better positioned to deal with the crisis of sexual assault within its ranks, the committee bill would require both the Secretary of Defense and the independent panel established in the National Defense Authorization Act for Fiscal Year 2013 (Public Law 112-239) to assess the current role and authorities of commanders in the administration of military justice and the investigation, prosecution, and adjudication of offenses under the UCMJ; direct the Government Accountability Office to review implementation of the Air Force corrective actions following the sexual misconduct at Lackland Air Force Base; and mandate the processing for administrative separation of any service member guilty of an inappropriate and prohibited relationship, communication, conduct, or contact, including when such an action is consensual, with a prospective member of the Armed Forces or a member undergoing entry-level processing or training.

### ***Preserving Key Capabilities in a Time of Fiscal Austerity***

In April 2011, the President announced his intention to seek over \$400.0 billion in savings within the Department of Defense over the next decade. Subsequently, the Congress passed the Budget Control Act of 2011 (Public Law 111-25) (BCA) in August 2011. The BCA significantly reduced discretionary spending across the Federal Government and for the military in particular. The Department of Defense noted that cuts relating to the BCA amounted to \$489.0 billion. In addition, sequestration went into effect across the Federal Government on March 1, 2013. Should sequestration remain in effect, funding for national defense will be cut by an additional \$42.5 billion during fiscal year 2013 and approximately half a trillion dollars through 2021.

The committee is particularly concerned about readiness levels and threats to our national security once the full weight of sequestration is realized. History tells us that when readiness is low and our units ill-equipped and unprepared to fight, our troops pay the price with their lives. Areas of additional concern include the size and force structure of our armed forces and funding levels as we prepare to draw down in Afghanistan.

The committee is concerned about the Navy's overall fleet size and the continuous sustained demand for naval forces, especially in light of the Administration's strategic shift to operations in the Asia-Pacific. Therefore, the restriction precluding the Navy from retiring seven Ticonderoga-class guided missile cruisers and two amphibious ships well before the end of their expected service life continues for fiscal year 2014.

The committee would provide additional funds to the Navy to properly modernize and maintain these critical naval assets.

The committee notes that it is less costly to maintain existing assets than to procure new ones and this funding ensures the correct naval capabilities and fleet mix for the length of time originally authorized by Congress. The committee also would authorize multiyear procurements for the E-2D Advanced Hawkeye and the C-130J Super Hercules to ensure the Department is able to save significant resources over the term of the contract.

The committee also would fund needed ship construction to obviate the negative consequences of sequestration on the various ship construction programs.

The committee would provide sufficient funds to support the acquisition of the 10<sup>th</sup> DDG-51 class destroyer of a multiyear procurement; additional funds to support the continued acquisition of two Virginia Class attack submarines; and additional funds associated with the completion of the DDG-1000 class destroyer, the Moored Training Ship, and the Joint High Speed Vessel.

In noting concerns about potential strike fighter shortfalls and combat aviation capability, the committee would preserve the Air Force and Navy strike fighter industrial base by supporting the continued development of the Joint Strike Fighter program, provide for additional advance procurement for the F/A-18 E/F Super Hornet, and address a critical Air Force unfunded requirement for strike fighter engines. The committee notes the importance of unmanned aerial systems (UAS) and intelligence, surveillance, and reconnaissance (ISR) aircraft. The bill would retain the Air Force's Global Hawk Block 30 ISR aircraft, rather than shifting these assets to storage, as they are critical combat enablers for the deployed warfighter. The legislation would also provide additional funding for the Air Force Reaper UAS, a high-demand, low-density asset critical to Operation Enduring Freedom. The committee also recommends additional funding to allow for the continued sustainment of America's heavy armored vehicle production base by maintaining at least minimum sustained production for Abrams tank upgrades and heavy improved recovery vehicles. **The committee also would preserve the continued operational capability of the National Guard and Reserve Components by providing additional funding to address National Guard and Reserve Component unfunded modernization requirements. These changes preserve capability in the Active Component, as well as the Guard and Reserve, but not at the expense of the readiness of the Active Component.**

The committee would fund the Overseas Contingency Operations (OCO) at \$85.8 billion, consistent with the House-passed fiscal year 2014 budget resolution, H.Con.Res.25, thereby taking a partial step to replenish underfunded readiness accounts within the OCO. In so doing, the committee was able to replenish shortfalls resulting from unexpected costs in fiscal year 2013 to important accounts supporting reset and reconstitution of the force after more than a decade of combat and enabling support for wartime operations. Specifically, the committee took steps to restore critical readiness shortfalls by providing additional resources for training activities, flight hours, facilities sustainment, critical spares, combat support forces equipment and sustainment, and the stabilization of fuel rates. The committee also provided funding for unfunded priority items like a new Marine crisis response force for Africa and growth in the Marine Security Guard program responsible for security at our diplomatic posts. The bill would restore \$400.0 million in critical equipment reset funding in the OCO that would refurbish war-torn equipment, specifically for the Army.

In making these changes, the committee heeded the testimony of the service chiefs, who stressed the importance of ensuring the United States does not repeat the mistakes of the past by hollowing force structure in response to budget cuts. Therefore, for every change to force structure recommended by this bill includes funding for military personnel and operation and maintenance costs associated with such force structure. Moreover, each of these changes was funded within the top line funding allocation provided by the House-passed fiscal year 2014 budget resolution, H.Con.Res.25, which reduced overall discretionary spending below the fiscal year 2014 cap mandated by the Budget Control Act (Public Law 111-25).

### ***UH-72 Light Utility Helicopter***

The budget request included \$96.2 million for procurement of 10 UH-72 Light Utility Helicopters (LUH). According to the Army, this is the final year of UH-72 purchases, truncating the total program buy at 315 aircraft, instead of 346 as originally planned. The committee notes that even though this ends production short of the original plan, the final buy fully meets the agreed upon UH-72 requirements of the Army National Guard.

The committee recognizes that funding constraints and assessments in investment priorities contributed to the Army's decision to end UH-72 LUH production early, but also recognizes the platform has performed very well in valuable mission scenarios, to include homeland security, patrol along the Southwest border, and state and regional emergency response. These scenarios are important to operations in the permissive U.S. environment. However, the committee is concerned that the Army's decision may have an impact on the UH-72 LUH industrial base that increase risks over time for the support of its fielded fleet of 315 aircraft.

Therefore, the committee recommends \$231.3 million, an increase of \$135.1 million, for procurement of UH-72 LUH. The committee acknowledges that the additional procurement funds complete the total requirement for the LUH program.

The committee understands that while no further requirements for additional platforms have been formally identified by the National Guard Bureau; should additional requirements be identified, the committee expects the National Guard to use National Guard and Reserve Equipment account funds. In addition, the committee encourages the Army to assess the feasibility of transferring additional UH-72 LUH rotorcraft from the Active Component to the National Guard if additional requirements are validated.

### ***Civil Support Team information management needs***

The committee is aware that the National Guard Bureau Weapons of Mass Destruction Civil Support Teams (WMD CST) currently field an information management system that provides a common operating picture, promotes information sharing and real-time collaboration in an emergency situation, and supports the CST mission of assisting and advising first responders and facilitating communications with other Federal resources. The committee has noted that it believes this system should be expanded to follow-on forces, such as the Chemical, Biological, Radiological, Nuclear, and High-Explosive Enhanced Response Force Package and Homeland Defense Response Force units. However, this has not yet occurred to date. Therefore, the committee directs the Assistant Secretary of Defense for Homeland Defense and Americas' Security Affairs to provide a briefing to the Committee on Armed Services of the House of Representatives within 90 days after the date of the enactment of this Act on the information management system needs of the Department of Defense WMD response forces, including the needs of both Active and Reserve Components.

### ***A-10 oxygen delivery systems modernization***

The budget request contained \$47.6 million for A-10 aircraft modifications.

The committee supports ongoing modernization of A-10 oxygen delivery systems with On-Board Oxygen Generation Systems (OBOGS). The committee notes that liquid oxygen-based systems are manpower intensive and require significant maintenance and support equipment. The committee is also concerned that the Air Force, at times, must rely upon foreign sources of liquid oxygen when A-10 aircraft are deployed. The committee understands that retrofitting the remaining A-10 aircraft within the Active Duty and Reserve Components that have yet to be modernized with OBOGS could produce significant cost savings over the service life of the aircraft. Therefore, the committee encourages the Air Force to continue conversion of liquid oxygen-based systems to OBOGS in the A-10 fleet.

The committee recommends \$47.6 million, the full amount of the request, for A-10 aircraft modifications.

### ***C-130H Avionics and Propulsion System Modernization and Upgrade Programs***

The budget request contained no funds for continuing low rate initial production of the C-130 Avionics Modernization Program (AMP) for C-130H aircraft and \$0.4 million in PE 401115F for C-130 airlift squadrons, but no funds for C-130H propulsion system upgrades.

The committee is disappointed that the Secretary of the Air Force invested nearly \$1.5 billion of taxpayer dollars for engineering, manufacturing, development, and testing of the C-130 AMP program and has

entered Low Rate Initial Production, but has no plans to continue procurement and installation of C-130 AMP onto legacy C-130H aircraft. The Secretary also has no plans to modernize or upgrade the C-130H propulsion system in order to increase reliability, capability, fuel efficiency and on-wing time of the engine, as well as decrease the overall cost and maintenance burden of the current propulsion system. The Secretary has not articulated to the committee a coherent plan for fleet-wide recapitalization of the C-130H fleet or how they plan to maintain medium-sized intra-theater airlift capacity and capability within both the Active and Reserve Components. Knowing that the majority of the C-130H fleet resides within the Reserve Components of the Air Force and that the C-130H should remain reliable, capable, and relevant to meeting current and future warfighter needs, the committee is concerned with the lack of initiative that the Secretary has taken with regard to the modernization and upgrade of C-130H aircraft. The committee also notes that through cost reduction initiatives and efficiencies gained in the C-130 AMP program over the past year, the cost data that the Secretary used as justification for canceling the C-130 AMP program in the budget request is no longer relevant.

Therefore, the committee recommends \$26.4 million, an increase of \$26.0 million, in PE 401115F for C-130H propulsion system propeller upgrades; \$74.3 million, an increase of \$15.7 million, for C-130H propulsion system engine upgrades; and \$47.3 million, an increase of \$47.3 million, for continued procurement of 8 C-130 AMP kits and installation onto C-130H aircraft. Elsewhere in this title, the committee includes a provision that would preserve the nearly \$1.5 billion taxpayer investment in the C-130 AMP program and would prohibit the Secretary from canceling the C-130 AMP program. Finally, the committee directs the Secretary of the Air Force to immediately obligate authorized appropriations provided in fiscal year 2012 and fiscal year 2013 to preserve the cost reduction initiatives and efficiencies gained in the C-130 AMP program over the past year.

#### ***Remotely Piloted Aircraft Squadron Operations Centers for the Air National Guard***

The budget request contained no funds for Remotely Piloted Aircraft Squadron Operations Centers (RSOC) for the Air National Guard.

The committee notes that the Air Force fiscal year 2013 force structure changes approved by the committee included plans to create numerous MQ-1 and MQ-9 remotely piloted aircraft remote-split operations and targeting squadrons in the Air National Guard. However, the committee notes with concern that the Consolidated and Further Continuing Appropriations Act, 2013 (Public Law 113-6) did not include sufficient funding to begin acquiring the ground-based equipment necessary to stand up these units. Specifically, the committee understands that to reach full capability these units will need fully modernized RSOCs, and that the infrastructure provided by the RSOC supports hosting up to five ground control stations, intelligence analysts, weather personnel, and other critical personnel required for full operations.

The committee encourages the Air Force, starting by the fiscal year 2015 budget request, to fully fund RSOC and other equipment required to stand up fully modernized Air National Guard MQ-1 and MQ-9 remote-split operations and targeting units.

#### ***Concurrent fielding of equipment for the Army National Guard and Air National Guard***

The budget request contained \$2.7 billion for National Guard equipment modernization.

The National Guard and Reserve Components are no longer considered a "strategic reserve," and are now regarded as an "operational" force. Since September 2001, over 860,000 members of the National Guard and Reserve Components have been mobilized and served on Active Duty in support of Operation Noble Eagle, Operation Enduring Freedom, Operation Iraqi Freedom, and Operation New Dawn, of whom over 900 have been killed in action. Domestically, over 50,000 members of the National Guard responded to Hurricane Katrina and, more recently, more than 7,000 members of the National Guard and Reserve Components mobilized in support of to Hurricane Sandy.

Recognizing the importance of an operational reserve force and the imperative to equip the National Guard and Reserve Components with modernized equipment, in recent years, the committee authorized funding for additional equipment for the Reserve Components to address chronic shortfalls in Army National Guard (ARNG) and Air National Guard (ANG) equipment inventories.

Since 2007, Congress has provided approximately \$9.2 billion in the National Guard and Reserve Equipment Account to address this issue, in addition to other targeted funding increases. As a result of these funding

increases and sustained investment in the ARNG and ANG, both components are currently at historic highs in terms of equipment-on-hand, with the ARNG at 87 percent and the ANG at 91 percent.

However, the committee notes that some of the equipment counted as on hand is substitute or less-capable versions of the required equipment. The committee acknowledges that the National Guard faces mounting challenges regarding how to replace worn out equipment, legacy equipment that is becoming obsolete or irrelevant, and equipment that is aging through normal wear-and-tear. In addition, long-term gaps in funding remain. The "National Guard and Reserve Equipment Report for Fiscal Year 2014" identified an almost \$29.7 billion shortfall for the ARNG for fully modernized equipment, approximately 26.6 percent of the total requirement. The report also found an \$8.8 billion shortfall for the ANG for fully modernized equipment, which is 14.5 percent of the total requirement.

Furthermore, the committee is concerned that these shortfalls may not be addressed based on current Army and Air Force procurement and fielding plans. For example, the committee understands that plans for fielding major weapons systems for the ANG, including the F-35 aircraft, remain far in the future. For the ARNG, fielding of the UH-60M and CH-47F helicopters are planned to stretch out over several decades.

The committee recommends that the Army and the Air Force reexamine their funding and fielding plans for all National Guard equipment procurement and that they re-balance those plans to provide the ARNG and the ANG with new equipment concurrent with fielding to Active Duty units. The committee believes that using the National Guard as an operational force, with planned rotations and mobilizations, makes it imperative that National Guard units be provided the necessary resources to man, equip, sustain, and train. The committee recommends \$2.7 billion, the full amount requested, for National Guard equipment modernization.

#### ***Joint Surveillance Target Attack Radar System***

The committee notes that the joint surveillance target attack radar system (JSTARS) aircraft and sensors are rapidly aging and in need of multiple, costly upgrades in order to maintain operational JSTARS capability in the future. The committee believes that the Department of the Air Force understands the challenges of maintaining the JSTARS aircraft and sensors, and notes that it has conducted an analysis of alternatives (AOA) to evaluate potential replacement platforms for the aging E-8C JSTARS aircraft which has concluded that a modern business jet using a fourth generation sensor system would be the preferred JSTARS replacement alternative. The committee understands that the business jet solution would provide substantial future cost savings, improve capabilities with more advanced sensors, and is readily available in the near term. Unfortunately, the budget request for fiscal year 2014 did not include any funds for replacing the JSTARS aircraft or sensors, and the committee is concerned that the critical JSTARS mission may not be accomplished if the Department of the Air Force does not replace the JSTARS aircraft in the near term.

Since the committee believes that the battle management command and control and ground moving target indicator missions performed by the Department of the Air Force JSTARS aircraft are critical to meet requirements of the National Military Strategy, the committee encourages the Department to begin a program to replace the JSTARS aircraft as soon as possible, but not later than in its budget request for fiscal year 2015.

#### ***Operational Reserves***

The committee understands that the Army and Air Force are reducing end strength and rebalancing force structure in response to the drawdown in the Islamic Republic of Afghanistan, reduced budgets, and the effects of sequestration. However, as has been stated in previous years, the committee remains concerned with increased potential reductions in the Reserve Components, specifically for the Army and the Air Force. The Reserve Components have been and remain an integral capability of the total force that must continue to be embraced as an operational reserve through periodic mobilization for real-world missions. Such employment sustains the skills and competencies to enable the Reserve Components to respond to crises or combat requirements in a timely manner. As the focus shifts from Afghanistan, the potential for persistent conflict remains. Thus, the committee continues to encourage the Secretary of Defense and the military services to ensure rigorous analysis is used when assessing the capabilities of the total force. Such analysis should be conducted if further reductions to force structure are necessary, and should include an assessment of the ability to meet the requirements of the combatant commands and those of the Federal Government and the States for homeland security and natural disasters.

### ***Fully Burdened Life Cycle Cost of Military Personnel***

The committee applauds the Department of Defense's efforts to standardize costing models for Active Duty and civilian personnel across the Department. The committee understands the Secretary of Defense is finalizing a Department of Defense Instruction to formalize the policy, as well as implement a costing tool, Full Cost of Manpower (FCoM), to reduce the myriad of calculations required under current guidelines and reduce errors in costing of Active Duty and civilian personnel. The committee is encouraged by the Department's effort to expand this model to include the full cost of reserve manpower as well. As fiscal pressures become the focus in operational planning and force structure development, it is crucial to understand the cost of the total force in order for leaders to make informed decisions to fulfill combatant commander requirements, as well as homeland defense and natural disaster response. The committee directs the Secretary of Defense to incorporate at a minimum all of the existing elements of the FCoM tool for the reserve model and encourages the Secretary to include as many comparable factors between the Active Duty and Reserve Component in the FCoM tool as possible to ensure the most efficient use of resources and manpower.

The committee directs the Secretary of Defense to report to the Committees on Armed Services of the Senate and the House of Representatives no later than 180 days after implementation of the reserve costing model. The report shall include an explanation of the elements required in the costing model; the criteria used to determine the elements; how the reserve model compares to the model used for Active Duty; and a comparison of the cost of a similar Active and Reserve unit for each of the services, including the training and mobilization costs of the Reserve unit, with the assumption that an operational Reserve unit will mobilize and deploy once every 5 years, and an Active Duty unit will mobilize and deploy once every 3 years as required by current policy.

### ***Reserve Component Temporary Duty Assignments***

The committee has concerns with the Department of Defense's use of permanent change of station (PCS) orders in lieu of temporary duty orders for Reserve Component members (not including Active Guard and Reserve when activated). Current Department of Defense directives set 180 days as the limit for temporary duty orders. Beyond 180 days, the orders become PCS orders. The committee is concerned that the services have taken advantage of these rules when mobilizing some reservists by either calling them to Active Duty through PCS orders for 181 days or changing the orders from temporary duty to PCS after the member has taken the assignment. This practice, when selectively applied to reservists mobilized for temporary duty from a high cost-of-living area to a low cost-of-living area, allows the services to save money at the expense of the service members and their families. The committee encourages the Secretary of Defense to ensure that if a Reserve Component member receives temporary duty orders, the orders are not changed to PCS orders without required notification and processing. This will protect members of the Reserve Component by ensuring that they are compensated appropriately during their Active Duty service. Furthermore, it will ensure they are able to maintain, without disruption, their full-time households.

### ***Yellow Ribbon Reintegration Program***

The committee commends the Department of Defense Yellow Ribbon Reintegration Program Office for its efforts over the past 5 years to assist the military services by providing information, support, and best practices to maintain a ready Reserve Component with stronger and more resilient service members and families. As the Nation reduces its overseas commitment in the Islamic Republic of Afghanistan, the committee believes there will continue to be a requirement for the utilization and mobilization of the Reserves in support of combatant commanders and contingency operations for the foreseeable future. Therefore, the committee recommends that the Secretary of Defense ensure that the Yellow Ribbon Reintegration Program remains current, flexible, and viable by maintaining the appropriate expertise, knowledge, and resources in order to meet the requirements of the National Defense Authorization Act for Fiscal Year 2008 (Public Law 110-181), as amended, to support the operational reserves.

### ***Air Force Force Structure***

The committee recognizes the challenges the U.S. Air Force confronts as a result of sequestration, a restricted budget with limited resources to modernize, and an aging aircraft fleet. The committee believes that the Air Force must remain a premier fighting force. To this end, the National Defense Authorization Act for Fiscal Year 2013 (Public Law 112-239) created the National Commission on the Structure of the Air Force following extensive debate during the last budget cycle regarding the Air Force's Total Force Plan submitted with the President's fiscal year 2013 budget request and as revised in November 2012.

The commission is undertaking a comprehensive study of the structure of the Air Force to determine whether, and how, the structure should be modified to best fulfill current and anticipated mission requirements in a manner consistent with strategy and available resources. The considerations of the commission, outlined in section 363(a)(2) of Public Law 112-239, state that the commission shall give particular consideration to evaluating a structure that:

- (1) Meets current and anticipated requirements of the combatant commands;
- (2) Achieves an appropriate balance between the regular and Reserve Components, taking advantage of the unique strengths and capabilities of each;
- (3) Ensures that the regular and Reserve Components have the capacity needed to support current and anticipated homeland defense and disaster assistance missions in the United States;
- (4) Provides for sufficient numbers of Active Duty members of the Air Force to provide a base of trained personnel from which the personnel of the Reserve Components of the Air Force could be recruited;
- (5) Maintains a peacetime rotation force to support operational tempo goals of 1:2 for active-duty members of the Air Force and 1:5 for members of the Reserve Components; and
- (6) Maximizes and appropriately balances affordability, efficiency, effectiveness, capability, and readiness.

As the committee awaits the report by the commission due by February 1, 2014, the committee seeks to understand the measures the Air Force is taking to retrain airmen affected by the elimination of weapons systems and equipment under the November 2012 Total Force Plan to ensure mission readiness. Therefore, the committee directs the Secretary of the Air Force to provide to the Committees on Armed Services of the Senate and the House of Representatives, by October 1, 2013, the plan to transition qualified airmen, whose weapons systems or positions are being terminated, to new skills and weapons systems.

### ***Cyber Operations for the Department of Defense***

The committee notes that the Defense Science Board recently completed a report titled Resilient Military Systems and the Advanced Cyber Threat. In particular, the committee recognizes the need to address a key recommendation in the report that would require the Department to determine the mix of cyber, protected-conventional, and nuclear capabilities necessary for assured operation in the face of a full-spectrum adversary by designating a mix of forces necessary to conduct assured operations, including systems such as penetrating bombers, submarines with long range cruise missiles, Conventional Prompt Global Strike (CPGS), and survivable senior leadership command and control. The committee believes the Department will need to address this recommendation as it conducts the mission analysis required by this section.

In addition, the committee is aware that there is interest from the Department as well as Congress on how best to leverage the Reserve Component, including the National Guard, in the Department's organizing construct for cyber operations. While the committee supports these considerations, it is also concerned that current legislative proposals to dictate National Guard units for each of the states and territories is premature and may be detrimental to the overall national effort. In addition to the hefty price tag, which is estimated to be about \$400.0 million per year, current proposals only address National Guard participation and do not include the Reserve Component. Whereas only the Army and the Air Force have National Guard units, all of the military services have Reserve Components that have unique authorities and capabilities that should be addressed by the national effort. The committee believes that more time is needed to evaluate full participation of the Reserve Components, including the implications and limitations of using National Guard forces in a "title 32" capacity, before broader action is taken. The committee encourages the Department to examine these issues in the course of the mission analysis required by this section.



### ***National Guard Bureau Counter-drug Mission***

The committee acknowledges the importance of the National Guard counter-drug mission as a part of ensuring the security of the U.S. homeland. The National Guard counter-drug mission is vital to successfully protecting the Nation's borders; however, the committee is aware of the budget constraints the National Guard Bureau faces in fully funding and operating its counter-drug mission.

Therefore, the committee directs the Secretary of Defense to provide a briefing to the House Committee on Armed Services by October 1, 2013, regarding the operational capabilities and future counter-drug mission set of the National Guard. The briefing should include information on the available resources and missions of the state partnership programs, border security initiatives, and counterdrug schools, including any anticipated gaps in resources. The committee also directs the Secretary of Defense to submit to the committee, by not later than 120 days after the date of the enactment of this Act, a report on the capabilities and policy issues associated with the counter-drug mission of the National Guard on the southwestern border of the United States.

### ***Comptroller General Review of Planning and Preparedness for Threats Posed by Non-Traditional Chemical Agents***

The committee notes a growing awareness of the threat posed by novel chemical weapon agents or toxicants known as Non-Traditional Agents (NTAs). The 2010 Quadrennial Defense Review (QDR) states that the globalization of the world's chemical industry, coupled with scientific breakthroughs, increases the possibility of NTAs being used against U.S. and allied forces. Furthermore, the QDR states that the Department of Defense (DOD) has increased its resources for research and development of technologies to meet and defeat these emerging threats. NTAs are allegedly binary nerve agents significantly more lethal than third-generation chemical weapons, such as VX nerve gas.

The current international agreements regarding chemical warfare do not adequately control the relatively simple formulas for NTAs that have been published. Consequently, the risk of illicit NTA production by various state and non-state actors is heightened compared to traditional chemical agents. NTAs could pose a significant threat to DOD personnel as they may be capable of defeating protective equipment, such as Mission Oriented Protective Posture masks and suits as well as evading chemical weapon detection tools. In the past, the Government Accountability Office has reported that most U.S. Army units tasked with providing chemical and biological defense support are not adequately staffed, equipped, or trained to perform their missions against traditional chemical agents. The Department's preparedness for NTAs may be even more important given the unique nature of this emerging threat.

To assist the committee in conducting its oversight of the Department of Defense's increased resources for research and development of technologies to meet and defeat emerging threats posed by NTAs, novel chemical weapon agents, or similar toxicants, the committee directs the Comptroller General of the United States to conduct a review of the Department of Defense's planning and preparedness for threats posed by non-traditional chemical agents, and to submit a report to the congressional defense committees by March 31, 2014, with the findings and any recommendations. The report should include, but not be limited to:

(1) The extent to which the Department of Defense has conducted an analysis of the threat NTAs pose to DOD personnel, including the risk posed by bioregulators capable of inducing profound physiologic effects, and developed countermeasures, defenses, and mitigation strategies to address the threat posed by NTAs;

(2) The extent to which DOD's chemical and biological defense units that are tasked with chemical and biological defense support to combat units and commands are adequately staffed, equipped, and trained to deal with NTAs;

(3) The extent to which DOD's chemical and biological defense units that are tasked with a homeland defense mission, especially National Guard and Reserve units, are adequately staffed, equipped, and trained to deal with NTAs;

(4) How much the Department is planning to spend in fiscal year 2014 on research and development of technologies to address the threat of NTAs, and how much of an increase in resources this represents over fiscal year 2013 levels;

(5) The nature and extent of potential counter-NTA research and development program overlap and duplication between, for example, defense agencies, the military services, and national laboratories/federally funded research and development centers; and

(6) Which counter-NTA programs or efforts could benefit from consolidations, improved coordination, or other actions to achieve financial or other benefits, such as increased efficiencies.

#### ***National Guard and Reserve Component Equipment Fund***

The budget request for Overseas Contingency Operations contained no funding for National Guard and Reserve Component equipment. Elsewhere in this Act, the budget request contained \$4.2 billion for National Guard and Reserve Component equipment.

The specific amount of resources, including equipment, needed to adequately sustain the National Guard and Reserve Component's operational reserve status remains a concern because of the fiscal environment, especially given the dual mission responsibility of the National Guard and Reserve Components, particularly the National Guard. The committee recognizes the National Guard and Reserve Components continue to report significant equipment shortages in modernized equipment, specifically in rotorcraft and tactical wheeled vehicles.

Over the past 8 years, annual National Guard and Reserve Component equipment procurement averaged \$7.0 billion. The committee is concerned that modernization funding across the Future Years Defense Program is only expected to average \$3.8 billion annually, a significant reduction from prior year requests. The committee also notes that National Guard and Reserve Component equipment modernization is not funded to 100 percent of what the National Guard and Reserve Components believe their requirements to be and that they are expected to have unfunded requirements in fiscal year 2014.

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, missiles, wheeled and tracked combat vehicles, tactical wheeled vehicles, ammunition, small arms, tactical radios, non-system training devices, logistics automation systems, remote weapon stations, chemical/biological protective shelters, internal and external fuel tanks for CH-47 and AH-64 rotorcraft, F-15 F100 engines, special mission propellers for C-130 aircraft, and other critical dual use procurement items for the National Guard and Reserve Components. The committee encourages the Secretary of Defense to make every effort to identify the most critical National Guard and Reserve Component modernization programs and expedite funding for those programs.

The committee recommends \$400.0 million for National Guard and Reserve Component equipment within the Overseas Contingency Operations budget request. Elsewhere in this Act, the committee recommends \$4.2 billion, full funding of the request, for National Guard and Reserve equipment.

#### ***Explanation of (Military Construction) Funding Adjustments***

The committee recommends reduction or elimination of funding for several projects contained in the budget request for military construction and family housing. These reductions include:

(1) \$4.0 million for the 175th Network Warfare Squadron Facility at Fort Meade, Maryland. The budget request included \$4.0 million to support operations and training of an Air National Guard Network Warfare Squadron. The committee is concerned that the Commander, Cyber Command has not adequately established the requirements to support the National Guard and Reserves and is concerned that this project is early-to-need. The committee discusses this issue further in title IX. Accordingly, recommends no funds, a reduction of \$4.0 million for this project.

(2) \$8.0 million for the CYBER/ISR Facility at Martin State Airport, Maryland. The budget request included \$8.0 million to support a Network Warfare Group. The committee is concerned that the Commander, Cyber Command has not adequately established the requirements to support the National Guard and Reserve and therefore believes that this project is early-to-need. The committee discusses this issue further in title IX. Furthermore, the committee is concerned that the budget request does not fully support the scope of the military construction project. Accordingly, recommends no funds, a reduction of \$8.0 million for this project.

#### ***KC-46A Air National Guard Basing Strategy***

The committee understands that the Air Force plans to accept delivery of 179 KC-46A aircraft between 2016-28. The current strategic basing strategy, as briefed to the committee, proposed to base KC-46A aircraft at up to 10 Main Operating Bases (MOB). Of these, up to two will be Active Duty-led within the continental

United States, up to four will be Air National Guard-led, up to two will be Air Force Reserve-led, and up to two will be located outside the continental United States. While the first Active Duty-led MOB will have a primary aircraft authorization (PAA) of 36 aircraft and the first Air National Guard-led MOB will have a PAA of 12 aircraft, the committee is aware that the Air Force is currently working to determine the most efficient basing construct for future Air National Guard-led MOBs. Therefore, the committee directs the Secretary of the Air Force, or a designee, to brief the House Committee on Armed Services on the basing strategy, to include PAA construct and basing criteria, for future Air National Guard-led MOBs, no later than 30 days before a final basing decision is made.

***Plan for Replacement of MQ-1 Aircraft of the National Guard***

The committee notes that the Air Force is considering a transition strategy for the Predator MQ-1 to the Reaper MQ-9. The committee supports this transition strategy and believes that the Air Force should prioritize the replacement of MQ-1s with MQ-9s at locations with an existing Formal Training Units schoolhouses, which would allow the Air Force to capitalize on existing infrastructure, trained personnel, instructor expertise, and minimize overall life cycle costs.

Therefore, not later than March 1, 2014, the committee directs the Secretary of the Air Force to submit to the congressional defense committees a recapitalization plan for the replacement of MQ-1 aircraft with MQ-9 aircraft. The plan shall include the criteria for beddown, including both the weight and scoring of such criteria that will be given to MQ-1 wings and squadrons with co-located formal training unit schoolhouse missions.

## **Senate Report 113-44**

### ***C-130 Aircraft Modifications***

The fiscal year 2014 budget request did not request funding for the C-130 avionics modernization program (AMP), but included \$9.9 million for communication, navigation, surveillance/air traffic management (CNS/ATM) upgrades and \$4.3 million for upgrading cockpit voice and digital data recorders (CVR/DVR) for legacy C-130 aircraft in Aircraft Procurement, Air Force (APAF). The program of record for modernizing the legacy C-130 aircraft until the fiscal year 2013 budget request was the C-130 AMP. When the Air Force announced a decision to cancel AMP, the program was already in low rate initial production and had delivered five aircraft, four additional kits, and training devices.

Section 143 of the National Defense Authorization Act for Fiscal Year 2013 (Public Law 112-239) prevented the Secretary of the Air Force from canceling or modifying the avionics modernization program for C-130 aircraft until 90 days after he submits a cost-benefit analysis comparing the original C-130 AMP with a program that would upgrade and modernize the legacy C-130 airlift fleet using a reduced scope program for avionics and mission planning systems. Earlier this year, the Air Force contracted with the Institute for Defense Analyses (IDA) to conduct this study. The Air Force indicates that the study results should be available later in calendar year 2013.

The committee strongly supports modernization of the Nation's legacy C-130 fleet, and fears that the delay in the awarding the study contract will cause the Air Force to lose another year in modernizing the legacy C-130 fleet. Therefore, the committee recommends an increase of \$47.3 million in APAF to fund modifications of legacy C-130 with either: (1) the original AMP upgrade; or (2) an alternative program that would upgrade and modernize the legacy C-130 airlift fleet using a reduced scope program for avionics and mission planning systems. The use of these funds and the use of the funds for CNS/ATM and CVR/DVR upgrades included in the budget should be informed by the results of the IDA study. The committee directs that none of these funds be obligated or expended until 90 days after the Secretary submits the IDA report. The committee also reminds the Air Force that the restrictions in section 143 continue to apply.

### ***Joint Surveillance/Target Attack Radar System Modernization***

The committee is concerned about the continued long-term sustainment of the capability provided by the Joint Surveillance and Target Attack Radar System (JSTARS) E-8 aircraft. The aircraft and sensors may need costly upgrades to keep the system relevant to the operational environment. The Air Force has completed an Analysis of Alternatives (AoA) to evaluate potential replacement platforms to perform the battle management command and control and ground moving target indicator (BMCC/GMTI) missions. These missions that support ground and naval forces are critical.

The AoA recommends as the preferred option a combined solution of modern business jets, using a fourth generation sensor system already in development by the Navy and Global Hawk Block 40 remotely piloted vehicle. The analysis indicates that this option would offer the potential of significant lifecycle cost savings and improved sensor capabilities, if the Air Force could afford the upfront investment costs. Although the Air Force acknowledges the need for a JSTARS mission area replacement aircraft, the fiscal year 2014 budget request does not include a request for funding such an option.

This committee is concerned that delays in commencing a program to replace and modernize the JSTARS capability could result in unfulfilled intelligence, surveillance, and reconnaissance requirements and higher risk to operational forces. Therefore, the committee directs the Secretary of Defense to submit a report that would provide a detailed description of the Department of Defense plan to modernize the capability to satisfy the BMCC/GMTI missions. The Secretary is directed to submit that report no later than 180 days after enactment of this Act.

### ***UH-72 Light Utility Helicopter***

The budget request included \$96.2 million in Aircraft Procurement, Army (APA), for the procurement of 10 UH-72 light utility helicopters. According to the Army this is the final year of UH-72 purchases, truncating the total program buy at 315 aircraft instead of the originally planned 346. The committee notes that even though this ends production short of the original plan, the final buy fully meets the documented UH-72 requirements of the Army National Guard.

The committee is concerned that the Army's decision may have an impact on the UH-72 industrial base that increases risks over time for the support of its fielded fleet of 315 aircraft. Therefore, the committee directs the Assistant Secretary of the Army for Acquisition, Logistics, and Technology to provide the congressional defense committees with an assessment of the impact of production termination on the UH-72 industrial base and support for the fielded fleet. The Secretary's assessment should address, but not be limited to, the potential impacts on the parts supply chain including mission modules, the availability of maintenance services, and how the replacement of aircraft will be managed in the event of any future losses. The Secretary shall submit this assessment not later than 60 days after enactment of the National Defense Authorization Act for Fiscal Year 2014.

### ***Joint Surveillance/Target Attack Radar System***

The budget request included \$57.5 million in Aircraft Procurement, Air Force (APAF), for the E-8 modifications program and \$13.2 million in PE 27581F within Research, Development, Test, and Evaluation (RDT&E), Air Force, for Joint Surveillance/Target Attack Radar Systems (JSTARS). The level of the RDT&E request reflects a reduction of \$11.0 million from the enacted level of \$24.2 million in fiscal year 2013, largely due to the planned retirement of the T-3 aircraft that has been a dedicated testing and development platform for the JSTARS program.

Although there have certainly been reductions in current development activities, that does not mean that all development and integration activities are over. Losing the dedicated testing platform is also troublesome because the Air Force has decided it cannot afford to modernize the JSTARS capability by fielding a new platform. That means that the Air Force will be relying on the 16 operational JSTARS aircraft and 11 Global Hawk Block 40 aircraft to provide all of the synthetic aperture radar (SAR) and ground moving target indicator (GMTI) support for ground force operations for the foreseeable future. Since the peacetime demand for these SAR and GMTI services is so high, retiring the T-3 aircraft will mean that operational aircraft would have to be diverted from other important tasks to support testing.

Therefore, to avoid this situation, the committee recommends an increase of \$9.9 million in PE 27581F for RDT&E to sustain T-3 operations during fiscal year 2014.

### ***Army Readiness Funding Increases***

The budget request included \$35.0 billion in Operation and Maintenance, Army (OMA), of which \$888.1 million was for maneuver units, \$1.2 billion was for aviation assets, \$3.5 billion was for force readiness operations support, and \$1.4 billion was for land forces depot maintenance. The budget request also included \$7.0 billion in Operation and Maintenance, Army National Guard (OMARNG), of which \$712.1 million was for facilities sustainment, restoration, and modernization (FSRM). The budget request also included \$3.0 billion in Operation and Maintenance, Army Reserve (OMAR), of which \$294.1 million was for FSRM.

The Army has identified specific amounts in these readiness accounts that could help offset cuts as a result of sequestration. The committee notes that these recommended increases will improve the Army's fiscal year 2014 flying hour program and ground operations tempo requirements and enable units to conduct additional training to restore readiness lost in fiscal year 2013. The committee also notes that the recommended increase in land forces depot maintenance will allow additional maintenance to occur on aviation assets, ground vehicles, missiles, electronics, and post-production software support. Additionally, the recommended increases for FSRM will increase funding to 90 percent of the fiscal year 2014 requirement for the Army National Guard and Army Reserve.

Accordingly, the committee recommends increases of \$195.9 million in OMA for maneuver units, \$15.8 million in OMA for aviation assets, \$209.9 million in OMA for force readiness operations support, \$200.0 million in OMA for land forces depot maintenance, \$74.2 million in OMARNG for FSRM, and \$36.4 million in OMAR for FSRM.

#### ***Air Force Readiness Funding Increases***

The budget request included \$37.2 billion in Operation and Maintenance, Air Force (OMAF), of which \$3.2 billion was for primary combat forces, \$1.5 billion was for air operations training, \$5.9 billion was for depot maintenance, and \$1.8 billion was for facilities sustainment, restoration and modernization (FSRM). The budget request also included \$3.1 billion in Operation and Maintenance, Air Force Reserve (OMAFR), of which \$89.7 million was for FSRM. The budget request also included \$6.5 billion in Operation and Maintenance, Air National Guard (OMANG), of which \$296.9 million was for FSRM.

The Air Force has identified specific amounts in these readiness accounts that could help offset fiscal year 2013 cuts as a result of sequestration. The committee notes that these recommended increases in amounts will improve the Air Force's fiscal year 2014 flying hour program, weapons systems sustainment, training ranges, and FSRM.

Accordingly, the committee recommends an increase in OMAF: \$220.0 million in primary combat forces, \$30.0 million in air operations training, \$210.0 million for depot maintenance, and \$75.0 million for FSRM. The committee also recommends an increase of \$8.7 million in OMAFR for FSRM and an increase of \$28.2 million in OMANG for FSRM.

#### ***Unfunded Requirements from the Service Chiefs***

The committee remains concerned, particularly in light of sequestration, that after more than a dozen years of combat operations and high operations tempo, backlogs of deferred depot maintenance remain unexecuted. The committee understands that the Department of Defense (DOD) continues to face significant challenges with respect to competing budget priorities. The committee notes that a continued failure to address the depot maintenance backlog will jeopardize and erode materiel readiness, further reduce the expected service life of DOD equipment, increase long-term sustainment costs, and further increase strategic risk for the Nation.

Despite this depot maintenance backlog, DOD continues to underfund critical readiness accounts. In past years, the committee has been able to provide additional support and funding for DOD through unfunded requirements lists submitted by the service chiefs.

The committee continues to strongly urge DOD to identify and provide a list of service-specific unfunded requirements with each fiscal year's budget request.

#### ***Limitation on Certain Cancellations of Deployment of Reserve Component Units within 180 Days of Scheduled Date of Deployment***

The committee notes with displeasure the decision of the Army in March 2013 to cancel the deployment of four National Guard units from Indiana for missions in the Horn of Africa and the Sinai Peninsula and replace them with active component forces for the purpose of addressing a fiscal year 2013 budget shortfall. Two of these units, approximately 500 people, were within 6 weeks of departure, and the remaining two units were within 90 days of departure.

All units had been mobilized in October 2012 and had been preparing for the mission since that time. The Army described this as a "short fuse decision," but its impact has been wide ranging on the National Guard in Indiana and the communities that support these service members. Over 1,000 families lost access to TRICARE benefits, after all had been enrolled in the TRICARE Early Eligibility Program 180 days ahead of their scheduled deployment date. Additionally, many service members made financial decisions and commitments based on the projected pay and benefits that accompany a year-long deployment. Students missed deadlines to apply for financial aid because they expected to be deployed. Some service members had already terminated leases. Moreover, these units will be placed at the bottom of rotation for future deployments, and will have lost a year of eligibility for deployment.

The committee is concerned that this type of decision indicates a disregard for the preparation of reserve component forces for deployment and the impact that a last-minute cancellation of deployment, for reasons other than a change in mission requirements, can have on morale, retention, and training. This provision is

not intended to limit the flexibility of the Army to cancel the deployment of reserve component forces for the purpose of replacing them with active component units, but rather to ensure that strategic thought is given to reserve component mobilization and the determination to cancel a deployment.

### ***Strategy on Use of the Reserve Components of the Armed Forces to Support Department of Defense Cyber Missions***

CYBERCOM was established in 2009. While it has had large numbers of personnel assigned to execute its defensive mission to protect Department of Defense (DOD) networks, the number of qualified personnel available for offensive missions, including offensive operations in support of defensive missions, has been negligible. CYBERCOM has now begun defining the numbers of positions and their associated specific skills, and the number of units into which those positions would be grouped, that are initially required to defend the Nation against major cyber attack, support the combatant commanders, and actively defend DOD networks.

The Secretary recently issued a directive to the services to undertake vigorous action to generate large numbers of such skilled cyber operators to meet these CYBERCOM manning requirements (over the next 4 years). The services are still in the early stages of responding to the Secretary's direction. DOD is therefore only at the beginning stages of determining how the reserve components can and should be integrated into the process for providing a total force solution to CYBERCOM's manning requirements.

In developing the required strategy, the provision would require the Secretary to: (1) identify the DOD cyber mission requirements that could be discharged by members of the reserve components; (2) in consultation with state Governors, provide means for the states to provide their evaluation of state capabilities and the needs of their states for cyber capabilities that cannot be fulfilled by contracting through the private sector; (3) identify the existing capabilities of the reserve components and the current plans of the military services to utilize them to meet total force resource requirements; (4) assess whether the National Guard when activated in state status can operate under unique and useful authorities to support domestic cyber missions and CYBERCOM requirements; (5) evaluate the ability of the reserve components to attract, retain, manage the careers of, properly train, and organize personnel with substantial cyber technical expertise from the private sector; (6) develop an estimate of the costs of the personnel, infrastructure, training, and operations needed to integrate the reserve components into the total force solution to CYBERCOM's mission requirements; and (7) assess the appropriateness of hiring non-dual status technicians on a part-time basis, who possess appropriate cybersecurity expertise for purposes of assisting the National Guard in protecting critical infrastructure and carrying out cybersecurity missions in defense of the United States homeland.

The committee notes that there is a large and diverse array of companies and non-profit organizations in the private sector that employ people with expertise in cybersecurity. These organizations not only can provide services to the states for day-to-day cybersecurity and for crisis and recovery support, but their employees could potentially provide a wealth of talent as members of the reserve components to support CYBERCOM's title 10 missions, including support to civil authorities. While it is not clear that DOD can attract these cyber experts to join the reserve components on a large scale, the potential payoff is so significant that it must be fully assessed. The committee also notes, however, that these private sector resources are not evenly distributed across the country. Rather, they tend to be geographically concentrated. Furthermore, by the inherent virtual nature of cyberspace, the lack of physical proximity to a specific cyber event or network need not be a major barrier to the provision of support and collective effort. These factors may have a significant impact on how reserve component cyber personnel should be organized and situated.

### ***National Guard Counterdrug Program***

The committee notes that the Department of Defense requests funding annually to support the National Guard Counterdrug Program (CDP). The committee believes that the CDP plays an important role in providing military-specific capabilities and expertise resident within the National Guard to support the counterdrug activities of federal, state, and local authorities. This support includes the provision of linguists, intelligence, transportation, logistics, reconnaissance, training, education, and prevention outreach. The committee believes this support has proven effective in helping to meet national counterdrug objectives. The committee notes that over the last 2 fiscal years, budgetary pressures have led the Department to decrease the budget request for the CDP. The committee understands that these cuts have caused a disruption or curtailment of CDP operations, including the activities of the five regional Counterdrug Training Centers. As such, the committee encourages the Department to continue its support for the CDP and provide adequate funding to ensure the sustainability of the program.

Additionally, the committee notes that beginning in 2008, the National Guard Bureau began development of a threat-based approach to its counterdrug activities. The committee supported this initiative and, in fiscal year 2011, DOD approved the Threat-Based Resource Model (TBRM) and began implementation of the new construct in fiscal year 2012, with plans to achieve full implementation by fiscal year 2015. The basis of the TBRM construct is to align funding in support of state counterdrug plans based on an analytical assessment of security threats associated with narcotics trafficking.

In prepared testimony submitted to Congress in 2012, the Chief of the National Guard Bureau stated: “the implementation of the [TBRM] budget will strengthen the National Guard’s national security capability by allocating resources to all states and territories based on the severity of the narcotics threat faced by each state.” As implementation of the TBRM continues, the committee urges the National Guard Bureau to ensure that the data, metrics, and analyses associated with the TBRM are reliable, clearly articulated, transparent, and reflect the changing nature of narcotics trafficking activities. In addition, the committee urges the Chief of the National Guard Bureau to cooperate and share information associated with the TBRM in a routine, systemic manner with relevant interagency partners, particularly the Office of National Drug Control Policy and the Drug Enforcement Agency.