



FY15 Defense Appropriations

*Analysis of the House (H.R. 4870) and Senate Fiscal Year 2015
Defense Appropriations Bills*

As of 18 July 2014

Bills Status

	Passed in Committee	Passed in Chamber	Conference Committee Report	Final Passage	Signed into Law
House	<input checked="" type="checkbox"/> June 10, 2014	<input checked="" type="checkbox"/> June 20, 2014			
Senate	<input checked="" type="checkbox"/> July 17, 2014				

Table of Contents

EXECUTIVE SUMMARY	- 1 -
ARMY NATIONAL GUARD OVERVIEW	- 2 -
AIR NATIONAL GUARD OVERVIEW	- 2 -
ARMY NATIONAL GUARD PERSONNEL	- 3 -
ARMY NATIONAL GUARD PERSONNEL (OVERSEAS CONTINGENCY OPERATIONS)	- 3 -
ARMY NATIONAL GUARD OPERATIONS & MAINTENANCE	- 4 -
ARMY NATIONAL GUARD OPERATIONS & MAINTENANCE (OVERSEAS CONTINGENCY OPERATIONS)	- 5 -
AIR NATIONAL GUARD PERSONNEL	- 6 -
AIR NATIONAL GUARD PERSONNEL (OVERSEAS CONTINGENCY OPERATIONS)	- 6 -
AIR NATIONAL GUARD OPERATIONS & MAINTENANCE	- 7 -
AIR NATIONAL GUARD OPERATIONS & MAINTENANCE (OVERSEAS CONTINGENCY OPERATIONS)	- 7 -
NATIONAL GUARD AND RESERVE EQUIPMENT ACCOUNT	- 8 -
JOINT PROGRAMS	- 8 -
HOUSE REPORT 113-473	- 9 -
SENATE REPORT 113-211	-14-

Executive Summary

This guide provides a short summary and analysis of the many provisions in the fiscal year 2015 defense spending bills. To obtain a complete understanding of any particular provision, users are encouraged to review the actual legislative language. Once they are published, the bills and accompanying reports will be available on the NGB-LL web page:

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

Status:

The House passed the fiscal year 2015 Defense Appropriations Bill on 20 June 2014. The Senate Appropriations Committee passed its version of the bill on 17 July 2014. It is not clear when or if the Senate will take up the measure, and it is increasingly likely there will be a continuing resolution and that the defense bill will be included in an omnibus spending bill at some point.

Highlights:

The House and Senate defense spending bills include numerous provisions that continue to demonstrate Congressional support of the Army and Air National Guard as an operational force.

The Senate Bill:

- Includes \$1 billion for National Guard and Reserve Equipment.
- Directs CAPE to do cost analysis of both the Army's Aviation Restructure Initiative and the alternate Army National Guard estimates.
- Provides an additional \$144 million to the AH-64 Apache Block IIIB for the ARNG.
- Provides \$216.7 million to the National Guard Counter-Drug program and directs NGB to continue operation of existing counter-drug schools.
- Directs the Air Force to obligate prior year funds authorized and appropriated for the C-130 Avionics Modernization program.

The House Bill:

- Includes \$2 billion for National Guard and Reserve Equipment.
- Provides an additional \$103 million to the Army National Guard for UH-60M aircraft procurement and an additional \$100 million for modernization of HMMWVs. The House bill also prohibits the transfer of AH-64 Attack helicopters from the Army National Guard to the regular Army. The Army National Guard would also have funding for two Combat Training Center rotations.
- Provides \$35.8 million for the C-130 Avionics Modernization program and prohibits the use of funds to cancel the avionics modernization program of record for C-130 aircraft. The House bill also provides an additional \$115 million for AESA radars for Air National Guard F-15 aircraft. During floor consideration the House approved amendments to prohibit the retirement of A-10 and KC-10 aircraft.
- Provides \$80 million in additional funding for the National Guard Counter-drug program.

National Guard Accounts Overview

Army National Guard Overview

(All Dollars in Thousands)

Army National Guard	FY15 President's Budget Request	House Passed	Delta from Request	SAC Mark	Delta from Request	Final Bill	Delta from Request
ARNG Personnel	\$7,682,892	\$7,644,632	\$38,260	\$7,425,722	\$257,170		
ARNG Personnel OCO *	\$155,578	-	-	\$185,578	\$30,000		
ARNG O&M	\$6,030,773	\$6,121,307	\$90,534	\$6,231,351	\$200,578		
ARNG O&M OCO *	\$76,461	-	-	\$76,461	\$0		
NGREA**	\$0	-	-	\$315,000	\$315,000		

*Note: The Overseas Contingency Operations budget request was submitted after the House passed their version of the bill. The House recommends total new appropriations of \$79,445 billion as a placeholder.

**The House provided \$2 billion in total for the National Guard and Reserve Equipment Account. However, the Committee Report does not break out the funding for each service.

Air National Guard Overview

(All Dollars in Thousands)

Air National Guard	FY15 President's Budget Request	House Passed	Delta from Request	SAC Mark	Delta from Request	Final Bill	Delta from Request
ANG Personnel	\$3,156,457	\$3,110,587	\$45,870	\$3,125,209	\$31,248		
ANG Personnel OCO *	\$4,894	-	-	\$4,894	\$0		
ANG O&M	\$6,392,859	\$6,393,919	\$1,060	\$6,351,281	\$41,578		
ANG O&M OCO *	\$20,300	-	-	\$20,300	\$0		
NGREA**	\$0	-	-	\$315,000	\$315,000		

*Note: The Overseas Contingency Operations budget request was submitted after the House passed their version of the bill. The House recommends total new appropriations of \$79,445 billion as a placeholder.

**The House provided \$2 billion in total for the National Guard and Reserve Equipment Account. However, the Committee Report does not break out the funding for each service.



Defense Appropriations

Army National Guard

Army National Guard Personnel

(All Dollars in Thousands)

ARNG Personnel Appropriation	FY15 President's Budget Request	House Passed	SAC Mark	Final Bill
PAY GROUP A TRAINING (15 DAYS & DRILLS 24/48) ^{1, 2, 3, 4}	\$2,616,067	\$2,570,867	\$2,530,667	
PAY GROUP F TRAINING (RECRUITS) ⁵	\$441,606	\$421,906	\$441,606	
PAY GROUP P TRAINING (PIPELINE RECRUITS)	\$47,984	\$47,984	\$47,984	
SCHOOL TRAINING	\$347,137	\$347,137	\$347,137	
SPECIAL TRAINING	\$433,207	\$433,207	\$433,207	
ADMINISTRATION AND SUPPORT ⁶	\$3,766,624	\$3,766,624	\$3,662,424	
EDUCATION BENEFITS ⁷	\$30,267	\$30,267	\$23,767	
TOTAL, BUDGET ACTIVITY 1 (BAC-01)	\$7,682,092	\$7,617,992	\$7,486,792	
UNDISTRIBUTED ADJUSTMENT ^{8, 9, 10, 11, 12}		\$26,640	\$61,070	
TOTAL, ARNG PERSONNEL	\$7,682,892	\$7,644,632	\$7,425,722	

- 1) House Reduction: Inactive Duty Training – projected underexecution
- 2) Senate Increase: Transfer funding for 2 CTC rotations - Army requested from line 121, O&M Army.
- 3) Senate Reduction: Improving funds management – Inactive duty training unit training assemblies excess growth.
- 4) Senate Reduction: Improving funds management – Readiness management excess growth
- 5) House Reduction: Subsistence, Annual Training and Inactive Duty Training – projected underexecution
- 6) Senate Reduction: Improving funds management – AGR pay and allowances excess growth; officer affiliation bonus excess to requirement; enlisted bonuses excess to requirement.
- 7) Senate Reduction: Improving funds management – Excess to requirement.
- 8) House Reduction: Individual Clothing and Uniform Allowance – excess to requirement
- 9) Unobligated/Unexpended balances
- 10) Fully fund two Combat Training Center rotations – Army requested transfer from OM,A SAG 121
- 11) Senate Reduction: Improving funds management – unobligated balances
- 12) Senate Increase: Program increase for retired pay accrual shortfall due to COLA adjustment.

Army National Guard Personnel (Overseas Contingency Operations)

Note: The Overseas Contingency Operations budget request was submitted after the House passed their version of the bill. The House recommends total new appropriations of \$79,445 billion as a placeholder.

(All Dollars in Thousands)

ARNG Personnel (OCO) Appropriation	FY15 President's Budget Request	House Passed	SAC Mark	Final Bill
PAY GROUP A TRAINING (15 DAYS & DRILLS 24/48)	\$28,674	-	\$28,674	
SCHOOL TRAINING	\$7,318	-	\$37,318	
SPECIAL TRAINING	\$105,591	-	\$105,591	
ADMINISTRATION AND SUPPORT	\$13,995	-	\$13,995	
TOTAL, BUDGET ACTIVITY 1 (BAC-01)	\$155,578	-	\$185,578	
TOTAL, ARNG PERSONNEL (OCO)	\$155,578	-	\$185,578	

Army National Guard Operations & Maintenance

(All Dollars in Thousands)

ARNG O&M Appropriation	FY15 President's Budget Request	House Passed	SAC Mark	Final Bill
MANEUVER UNITS ¹	\$660,648	\$660,648	\$683,648	
MODULAR SUPPORT BRIGADES	\$165,942	\$165,942	\$165,942	
ECHELONS ABOVE BRIGADE	\$733,800	\$733,800	\$733,800	
THEATER LEVEL ASSETS	\$83,084	\$83,084	\$83,084	
LAND FORCES OPERATIONS SUPPORT	\$22,005	\$22,005	\$22,005	
AVIATION ASSETS	\$920,085	\$920,085	\$920,085	
FORCE READINESS OPERATIONS SUPPORT	\$680,887	\$680,887	\$682,887	
LAND FORCES SYSTEMS READINESS ³	\$69,726	\$68,552	\$69,726	
LAND FORCES DEPOT MAINTENANCE ⁴	\$138,263	\$138,263	\$229,086	
BASE OPERATIONS SUPPORT ^{5, 6, 7}	\$804,517	\$787,353	\$804,517	
FACILITIES SUSTAINMENT, RESTORATION, & MODERNIZATION ^{8,9}	\$490,205	\$539,225	\$636,311	
MANAGEMENT AND OPERATIONAL HQ ¹⁰	\$872,140	\$846,243	\$872,140	
TOTAL, BUDGET ACTIVITY ONE (BAC-01)	\$5,641,302	\$5,646,088	\$5,903,231	
SERVICEWIDE TRANSPORTATION	\$6,690	\$6,690	\$6,690	
ADMINISTRATION	\$63,075	\$63,075	\$63,075	
SERVICEWIDE COMMUNICATIONS	\$37,372	\$37,372	\$37,372	
MANPOWER MANAGEMENT ¹¹	\$6,484	\$1,197	\$6,484	
RECRUITING AND ADVERTISING ¹²	\$274,084	\$270,823	\$260,285	
OTHER CONSTRUCTION SUPPORT AND REAL ESTATE MANAGEMENT	\$1,765	\$1,765	\$1,765	
TOTAL, BUDGET ACTIVITY FOUR (BAC-04)	\$389,471	\$380,922	\$375,671	
UNJUSTIFIED GROWTH FOR CIVILIAN PERSONNEL COMPENSATION	-	-\$3,703	-	
COMBAT TRAINING CENTER ROTATIONS ¹³	-	\$23,000	-	
RESTORE READINESS	-	\$70,000	-	
SOUTHWEST BORDER ¹⁴	-	\$5,000	-	
REMOVAL OF ONE-TIME FY14 COST	-	-	-\$20,000	
SERVICE SUPPORT CONTRACTOR REDUCTION	-	-	-\$20,000	
NON-CYBER IT PROGRAMS	-	-	-\$7,551	
TOTAL, ARNG O&M	\$6,030,773	\$6,121,307	\$6,231,351	

- 1) Senate Increase: Transfer funding for 2 CTC rotations - Army requested from line 121 O&M Army.
- 2) Senate Increase: Program increase for Emergency medical training.
- 3) House Reduction: Justification does not match summary of price and program changes for printing and reproduction.
- 4) Senate Increase: Transfer denied – FY15 funding for depot maintenance transferred back from O&M Army Line 116
- 5) House Reduction: Remove one-time fiscal year 2014 funding increase. Justification does not match summary of price and program changes for travel.
- 6) Senate Reduction: Improving funds management: Removal of one-time FY 2014 congressional increase.
- 7) Senate Increase: Program increase for National Guard Mental Health Programs.
- 8) House Increase: Program increase.
- 9) Senate Increase: Program Increase for FRSM
- 10) House Reduction: Justification does not match summary of price and program changes for civilian personnel compensation.
- 11) House Reduction: Office of the Deputy Chief of Staff – unjustified program growth.
- 12) House Reduction: Marketing and advertising programs – unjustified program growth.
- 13) House Increase: Fully fund two Combat Training Center rotations – Army requested transfer from OM, A SAG 121
- 14) House Increase: Southwest Border activity

Army National Guard Operations & Maintenance (Overseas Contingency Operations)

Note: The Overseas Contingency Operations budget request was submitted after the House passed their version of the bill. The House recommends total new appropriations of \$79,445 billion as a placeholder.

(All Dollars in Thousands)

ARNG O&M (OCO) Appropriation	FY15 President's Budget Request	House Passed	SAC Mark	Final Bill
MANEUVER UNITS	\$12,593	-	\$12,593	
MODULAR SUPPORT BRIGADES	\$647	-	\$647	
ECHELONS ABOVE BRIGADE	\$6,670	-	\$6,670	
THEATER LEVEL ASSETS	\$664	-	\$664	
AVIATION ASSETS	\$22,485	-	\$22,485	
FORCE READINESS OPERATIONS SUPPORT	\$14,560	-	\$14,560	
BASE OPERATIONS SUPPORT	\$13,923	-	\$13,923	
MANAGEMENT AND OPERATIONAL HEADQUARTERS	\$4,601	-	\$4,601	
ADMINISTRATION	\$318	-	\$318	
TOTAL, BUDGET ACTIVITY ONE (BAC-01)	-	-	-	
TOTAL, BUDGET ACTIVITY FOUR (BAC-04)	-	-	-	
	-	-	-	
TOTAL, ARNG O&M (OCO)	\$76.461	-	\$76.461	



Air National Guard

Air National Guard Personnel

(All Dollars in Thousands)

ANG Personnel Appropriation	FY15 President's Budget Request	House Passed	SAC Mark	Final Bill
PAY GROUP A TRAINING (15 DAYS & DRILLS 24/48)	\$913,691	\$913,691	\$913,691	
PAY GROUP F TRAINING (RECRUITS) ¹	\$122,678	\$116,178	\$122,678	
PAY GROUP P TRAINING (PIPELINE RECRUITS)	\$5,384	\$5,384	\$5,384	
SCHOOL TRAINING	\$243,888	\$243,888	\$243,888	
SPECIAL TRAINING ²	\$168,222	\$168,222	\$164,222	
ADMINISTRATION AND SUPPORT ^{3, 4, 5}	\$1,684,800	\$1,663,400	\$1,658,500	
EDUCATION BENEFITS	\$17,794	\$17,794	\$17,794	
TOTAL, BUDGET ACTIVITY 1 (BAC-01)	\$3,156,457	\$3,128,557	\$3,126,157	
UNDISTRIBUTED ADJUSTMENT ^{6, 7, 8}		\$17,970	\$948	
TOTAL ANG PERSONNEL	\$3,156,457	\$3,110,587	\$3,125,209	

- 1) House Reduction: Projected underexecution
- 2) Senate Reduction: Improving funds management – operational training excess to requirement; unit conversion training excess to requirement.
- 3) House Reduction: Full Time Pay and Allowances – projected underexecution
- 4) House Reduction: Non-Prior Service Enlistment Bonus – excess to requirement.
- 5) Senate Reduction: Improving funds management – AGR pay and allowances excess growth; non-prior service enlistment bonuses excess to requirement.
- 6) House Reduction: Unobligated/Unexpended balances
- 7) Senate Reduction: Improving funds management – unobligated balances
- 8) Senate Increase: Program increase for A-10 force structure; and retired pay accrual shortfall due to COLA adjustment

Air National Guard Personnel (Overseas Contingency Operations)

Note: The Overseas Contingency Operations budget request was submitted after the House passed their version of the bill. The House recommends total new appropriations of \$79,445 billion as a placeholder.

(All Dollars in Thousands)

ANG Personnel (OCO) Appropriation	FY15 President's Budget Request	House Passed	SAC Mark	Final Bill
SPECIAL TRAINING	\$4,894	-	\$4,894	
TOTAL, BUDGET ACTIVITY 1 (BAC-01)	\$4,894	-	\$4,894	
TOTAL ANG PERSONNEL (OCO)	\$4,894	-	\$4,894	

Air National Guard Operations & Maintenance

(All Dollars in Thousands)

ANG O&M Appropriation	FY14 President's Budget Request	House Passed	SAC Mark	Final Bill
AIRCRAFT OPERATIONS ^{1, 2}	\$3,367,729	\$3,366,229	\$3,400,996	
MISSION SUPPORT OPERATIONS ^{3, 4}	\$718,295	\$707,095	\$705,295	
DEPOT MAINTENANCE ⁵	\$1,528,695	\$1,528,695	\$1,531,850	
FACILITIES SUSTAINMENT, RESTORATION & MODERNIZATION ⁶	\$137,604	\$151,364	\$137,604	
BASE OPERATING SUPPORT	\$581,536	\$581,536	\$581,536	
TOTAL, BUDGET ACTIVITY ONE (BAC-01)	\$6,333,859	\$6,334,919	\$6,357,281	
ADMINISTRATION	\$27,812	\$27,812	\$27,812	
RECRUITING AND ADVERTISING	\$31,188	\$31,188	\$31,188	
TOTAL, BUDGET ACTIVITY FOUR (BAC-04)	\$59,000	\$59,000	\$59,000	
O&M AND IT BUDGET INCONSISTENCIES ⁷	-	-	-\$55,000	
TOTAL, ANG O&M	\$6,392,859	\$6,393,919	\$6,361,281	

- 1) House Reduction: Budget justification does not match summary of price and program changes for flying hour program.
- 2) Senate Increase: Program increase for A-10.
- 3) House Reduction: Budget justification does not match summary of price and program changes for civilian personnel compensation.
- 4) Senate Reduction: Budget documentation disparity justification does not match summary of price and program changes.
- 5) Senate Increase: Program increase for A-10.
- 6) House Increase: Program increase.
- 7) Senate Reduction: Budget documentation disparity – O&M and IT budget justification inconsistencies.

Air National Guard Operations & Maintenance (Overseas Contingency Operations)

*Note: The Overseas Contingency Operations budget request was submitted after the House passed their version of the bill. The House recommends total new appropriations of \$79,445 billion as a placeholder.

(All Dollars in Thousands)

ANG O&M (OCO) Appropriation	FY15 President's Budget Request	House Passed	SAC Mark	Final Bill
MISSION SUPPORT OPERATIONS	\$20,300	-	\$20,300	
TOTAL ANG O&M (OCO)	\$20,300	-	\$20,300	

National Guard and Reserve Equipment Account

The House provided \$2 billion in total for the National Guard and Reserve Equipment Account. However, the Committee Report does not break out the funding for each service.

The Senate appropriation includes direction for each Reserve and National Guard component commander to submit to the congressional defense committees a detailed assessment of that component's modernization priorities, not later than 30 days after enactment of the legislation.

(All Dollars in Thousands)

	FY15 President's Budget Request	House Passed	SAC Mark	Final Bill
ARMY NATIONAL GUARD	\$0	-	\$315,000	
AIR NATIONAL GUARD	\$0	-	\$315,000	

Joint Programs

Counter-Drug – The House bill includes an additional \$80 million and the Senate bill includes \$216,700 million for the National Guard counter-drug program.

Youth Challenge – The House bill includes an additional \$31 million for the Youth ChalleNGe program. The Senate bill includes an additional \$10 million for the program.

STARBASE – The House bill includes an additional \$25 million and the Senate bill includes an additional \$25 million for STARBASE.

Technicians – The House bill includes a provision that would prohibit the furlough of dual status technicians during a government shutdown.

ARMY AVIATION RESTRUCTURE INITIATIVE

The Army's fiscal year 2015 budget request proposes a significant restructuring of Army aviation assets. Part of this proposal is to transfer all Apache helicopters from Army National Guard units to the active Army and to shift Blackhawk helicopters from the active Army to the Arm National Guard. Another component of the proposal is to retire the Kiowa Warrior helicopter, including the TH-67 helicopter, currently being used as the training platform for Army aviation. The Committee approves the proposal, with the exception of the transfer of Apache aircraft from the Army National Guard. With respect to the retirement of TH-67 aircraft, the Committee is extremely concerned about the impact on the rotary wing industrial base of placing such a large amount of excess air frames on the market. Therefore, the Committee directs the Secretary of Defense to submit a report to the congressional defense committees not later than 120 days after the enactment of this Act on the aircraft being retire as part of the Army proposal. This report should include the number of airframes being divested; the number of airframes being transferred to other government agencies, the number of airframes being offered for sale to other nations, the cost of divesting these aircraft, and the impact the divestiture of these airframes will have on the domestic rotary wing industrial base. Further, the Secretary of the Army is prohibited from divesting any aircraft until the report is submitted by the Secretary of Defense.

READINESS

The Committee recommendation includes \$1 billion in title VIII of the bill to be transferred to the operation and maintenance accounts for the active Services, the National Guard, and the reserve components, to buy used only for improving military readiness. The funding is to be divided proportionately amongst the Services and the National Guard and reserve components, and shall be used only to improve readiness, including increased training, depot maintenance, and base operations support. None of the funding provided may be used for recruiting, marketing, or advertising programs.

DEPOT MAINTENANCE

The Committee has expressed concern for the last three fiscal years that base facility sustainment requirements are underfunded. The Committee provides an additional \$720,000,000 to the facilities sustainment, restoration, and modernization to address the maintenance backlog for the active Services, the National Guard, and the reserve components.

OPERATIONAL RESERVE

The Committee has previously expressed concern regarding the Army's support for maintaining an operational reserve. After reviewing the fiscal year 2015 budget request, the Committee remains concerned that the Army Reserve and the Army National Guard readiness accounts are significantly underfunded. The Committee believes that this will have an immediate and lasting impact on the Army National Guard and the Army Reserve's readiness that will be difficult to restore in future fiscal years.

Significant taxpayer investment has been made to enable the Guard and reserve to become an integral part of the operational force. The Committee supports the enduring vision of an operational reserve and encourages all Services to continue resourcing and utilizing the Guard and reserve components as key members of the operational force.

In addition to the \$1,000,000,000 provided for increased military readiness described elsewhere in the Committee report, or which the Army Reserve and the Army National Guard will receive a proportional share, \$135,000,000 is provided directly to the Army Reserve and the Army National Guard to be used specifically to further improve readiness of the operational reserve. The recommendation also includes \$68,000,000 for the Army National Guard to fully fund two Combat Training Center rotations in fiscal year 2015 as scheduled.

NATIONAL GUARD AND RESERVE COMPONENT PROPORTIONATE FUNDING

The National Guard and reserve forces regularly receive less than a proportionate share of funding to resource their dual-use equipment needs. However, the role of the reserve components in providing fully equipped, trained, and ready forces in the Services' force generation models is essential. The Committee recommends that the Secretaries of the Army and the Air Force re-examine their funding and fielding plans for all National Guard equipment procurement and rebalance those plans to provide the Army and Air National Guards with the same new equipment when their active component counterparts field new equipment.

AIR FORCE FLYING HOUR METRICS

The Committee is concerned that the Air Force has not developed a cost effective, goal oriented, metric based program on which to base its flying hour requirements and annual funding request. In fiscal year 2015, the Air Force requests significant increases for air operations and states that the requested funding for flying hours is based on available funds rather than any stated requirement. Further, a review of execution of previous fiscal years' flying hour programs shows that the Air Force consistently underexecutes its flying hour program. In these fiscally constrained times, ensuring that every dollar is spent to its maximum effectiveness means that flying to the budget instead of the readiness requirement risks significant waste of taxpayer resources. In addition, the lack of objective criteria or performance goals makes conducting objective, data driven analysis by the Committee impossible.

The Committee strongly supports robust funding for flying hours and other training required to achieve pilot competence, safety, and combat readiness, and recognizes that providing sufficient funding for the flying hour program to achieve these goals requires significant investment and resources. Therefore, the Committee directs the Secretary of the Air Force to conduct a comprehensive evaluation of the air operations program and to report to the congressional defense committees at the time of its fiscal year 2016 budget submission the results of this review. As part of the review of the flying hour program, the Committee directs the Secretary of the Air Force to consult with experts including, but not limited to, the Under Secretary for Personnel and Readiness, the Director of Cost Assessment and Program Evaluation, and the leadership at the Federally Funded Research and Development Centers, in order to establish metrics and goals for the flying hour program which will directly relate the flying hours requested in the budget to a clear, requirement-based training curriculum which will leverage limited resources in order to achieve maximum readiness.

The Committee further directs the Secretary of the Air Force to review and revise the budget justification materials for the flying hours sub-activity groups in order to improve the clarity and completeness of those materials in future fiscal years, beginning with the fiscal year 2016 budget submission.

NATIONAL GUARD AND RESERVE EQUIPMENT ACCOUNT

The Committee recommends \$2 billion for the National Guard and Reserve Equipment Account in the overseas Contingency Operations funds, to meet urgent equipment needs. This funding will allow the Guard and reserve components to procure high priority equipment that may be used for both their combat missions and their mission in support of state governors. This funding will allow the National Guard and reserve components to procure items such as emergency management training simulation; in-flight propeller balancing systems; SINCGAR ASIP radio enhancements; interoperable wideband network communications; global satellite communications on-the-move, and all necessary related hardware; C-130 propulsion system engine and propeller upgrades; electronically scanned array radars, wireless mobile mesh network systems; security and support mission equipment communications packages UH-60 civil support communications; reduced size external crashworthy fuel systems; acoustic hailing devices; high mobility engineer excavators; mobile ad hoc network radios; and small arm simulation training systems.

HIGH MOBILITY ENGINEER EXCAVATOR

The Committee recognizes the versatility and broad application that the High Mobility Engineer Excavator (HMEE) provides for the military. The HMEE offers full spectrum capability to accomplish standard engineer missions of survivability, mobility and counter-mobility, and the expanded mission of route clearance and breaching operations. The HMEE is transportable by C-130 and C-17 aircraft and is capable of operating at speeds of 60 miles per hour. It is a versatile engineer vehicle for expeditionary forces and for homeland

support missions. The Committee urges the Service Secretaries to thoroughly review requirements for this vehicle for tactical operations as well as for National Guard dual use applications.

House Report 113-473 Continued

HIGH MOBILITY MULTIPURPOSE WHEELED VEHICLE MODERNIZATION

The Committee recognizes that the National Guard has consistently included modernized High Mobility Multipurpose Wheeled Vehicles (HMMWV) among its top funding priorities. The Committee includes \$100 million above the request to modernize the aging National Guard HMMWV fleet to satisfy this requirement. In conducting fleet modernization, the Committee urges the Secretary of Defense to integrate advance safety systems, including the application of emerging commercial technologies such as electronic control units and airbag technology, to improve the safety of these vehicles with respect to underbody blast, crash, or rollover events.

AIR FORCE WEAPON SYSTEM SUSTAINMENT

The lack of objective data-driven metrics for the flying hour program has budget implications throughout the Operation and Maintenance, Air Force account. Within the Weapon System Sustainment (WSS) program, funding requirements for flying hours and depot maintenance are interrelated and can vary significantly depending on the number of flying hours executed. While the Air Force states that the WSS program is managed as an “enterprise level concept” and claims to regularly review the program in the year of execution to determine the actual requirement, the type and number of systems being inducted or work being performed can vary tremendously between what was included in the budget justification materials and what is actually executed.

Further, while the Air Force has improved its effort to capture all funding requested for depot maintenance, including contractor logistics support, in the depot maintenance sub-activity groups (SAGs), it is not yet able to fully differentiate between flight-line activities, for which funding should be requested in the aircraft operations and mission support SAGs, and depot maintenance activities, for which funding should be requested in the depot maintenance SAGs. The Committee remains concerned that the lack of fidelity and quality of the WSS and depot maintenance justification materials prevents the Committee from conducting meaningful analysis or oversight of either program. The Air Force acknowledges that its current justification materials could be seen as misleading, and the Committee understands that the Air Force will attempt to provide more useful, complete, and meaningful justification material for the WSS program in future fiscal years. While the Committee recognizes that requirements can change due to unexpected changes in mission or requirements during the fiscal year, it also believes that the lack of program goals and metrics for the flying hour program drives much of the lack of fidelity in funding requirements in other areas, including WSS and depot maintenance funding. In addition to the review of the budget justification materials for the flying hours SAGs directed in previous report language, the Committee directs the Secretary of the Air Force to review and revise the budget justification materials for the mission support and depot maintenance SAGs to improve the clarity and completeness of those materials in future fiscal years, beginning with the fiscal year 2016 budget submission.

KC-10

The Air Force has indicated that should spending limits contained in current law remain in force in fiscal year 2016, it will propose to retire the entire fleet of 59 KC-10 tanker aircraft by fiscal year 2020, saving an estimated \$2,300,000,000 over the future years defense program. The Committee believes that eliminating the KC-10 fleet poses a serious risk to the Air Force’s ability to carry out one of its stated core missions, that of providing global reach for the armed forces. The KC-10, with its ability to deliver 150,000 pounds of fuel at a range of 4,400 nautical miles using both the boom and drogue methods, is a critical element of providing the air bridge to combatant commanders across the Atlantic and Pacific Oceans.

The Committee urges the Secretary of the Air Force to be more forthcoming about the operational impact of retiring the KC-10 fleet, a proposal which appears to be driven primarily by the Air Force’s stated preference for “vertical cuts” that eliminate entire fleets and their associated infrastructure to achieve the requisite level of savings under current law and Department of Defense policy. Current acquisition plans for the KC-46 will not provide an adequate replacement for the KC-10, since the Air Force already plans to replace the older fleet of KC-135s with KC-46s on a one-for-one basis. The Committee notes that the House-passed National Defense Authorization Act for fiscal year 2015 prohibits the Air Force from taking any action toward

divestment of the KC-10 fleet and requires the Commander of the United States Transportation Command to submit an operational risk assessment and mitigation strategy to the congressional defense committees along with any proposal to divest the KC-10 fleet in the fiscal year 2016 budget.

COMBAT RESCUE HELICOPTER

The Committee fully supports the Air Force's decision to proceed with an acquisition program for a new Combat Rescue Helicopter (CRH) despite budget constraints. The CRH will replace the Air Force's rapidly aging fleet of HH-60 helicopters for the combat search and rescue mission. While the fiscal year 2015 request includes no additional funds for CRH, the Air Force has indicated to the Committee that the \$333,558,000 provided in the Consolidated Appropriations Act for fiscal year 2014 is sufficient to fund the program through fiscal year 2015 given the adjustments the Air Force has made to extend the program schedule. The Committee is aware that the Air Force will need to rectify a \$436,000,000 shortfall in the current future years defense plan to fully fund CRH development, but believes that this cost must be weighed against the considerable costs that likely would be incurred to extend the life of the HH-60 fleet should CRH be terminated. The Committee's recommendation includes \$100,000,000 for CRH to partially address this shortfall and designates these funds as a congressional special interest item. The Committee directs the Secretary of the Air Force to keep the Committee informed of the progress of the CRH program, including rates of obligation and expenditure.

NEXT GENERATION JSTARS

The Committee fully funds the Air Force request for \$73,088,000 to develop a next generation platform for the moving target indicator and battle management command and control (BMC2) missions currently performed by the E-8C JSTARS fleet. The Committee notes that while the program justification submitted with the fiscal year 2015 request appears to assume that the BMC2 system, sensor systems, communications systems, and air vehicle will be separately competed with the government as the lead system integrator, the Air Force presently is considering alternative acquisition strategies for the new system. Due to the reduction in capability that will result from the retirement of five operational JSTARS aircraft in fiscal year 2015, the Committee encourages the Secretary of the Air Force to adopt an acquisition strategy for a business jet-based integrated solution with mature technologies that is consistent with the completed analysis of alternatives, will minimize development cost and schedule, field new aircraft ahead of first planned delivery date in fiscal year 2019, and provide an open system architecture to allow for competitively procured future upgrades. The Committee directs the Secretary of the Air Force to brief the congressional defense committees on its selected approach not later than 30 days following the approval of the acquisition strategy for the Next Generation JSTARS.

NATIONAL GUARD COUNTER-DRUG PROGRAM

The Committee is disappointed that, for a third year in a row, the budget request underfunds the National Guard counter-drug program. The Committee recognizes the importance of the mission of the National Guard counter-drug program as a support organization to combatant commands and federal, state and local law enforcement agencies. To help address the lack of funding in this important program, the Committee recommends an additional \$80 million for fiscal year 2015.

MILITARY MENTAL HEALTH PILOT PROGRAM

The Committee is pleased that the Secretary of Defense created a pilot program to improve efforts to treat servicemembers suffering from mental health disorders in the National Guard and reserve components through community partnerships. The Committee encourages the Secretary of Defense to expand this program to include additional community partners through a competitive and merit-based process

COOPERATION BETWEEN MILITARY MEDICAL FACILITIES, CIVILIAN HEALTHCARE FACILITIES, AND UNIVERSITIES

The Committee recognizes the importance of cooperation between military medical facilities, universities, and other civilian partners to provide valuable medical trauma training to sustain the education of military medical providers. This training and real-life experience contributes to maintaining the capabilities of the National Guard Chemical, Biological, Radiological, and Nuclear Explosives Enhanced Response Force Packages, the National Guard Homeland Response Forces, and the Army Reserve Consequence Management Response Forces.

The Committee encourages the Service Surgeons General and the Chief of the National Guard Bureau to continue to pursue trauma training with civilian partners in order to maintain unit medical readiness at optimum levels as military healthcare providers maintain their individual skills to respond effectively to emergency incidents.

SEXUAL ASSAULT PREVENTION AND RESPONSE

The Committee remains concerned by reports of sexual assaults being committed by those in key positions of trust, including sexual assault response coordinators, victim advocates, military recruiters, commanders, and military leaders. The Army recently conducted a review of personnel serving in key positions of trust, and almost 600 soldiers currently serving in those positions were disqualified for infractions. While the Committee commends the Army for conducting such a review and holding soldiers accountable and urges the other Services to conduct similar comprehensive reviews, it remains disturbed that so many of the personnel currently serving should never have qualified for those duties.

The Committee is also concerned by the persistently high prevalence of sexual assault at the military academies. The Committee believes that more must be done to institute best practices at the military academies, training bases, and recruiting commands to increase prevention efforts as well as to preclude perpetrators from serving in influential and sensitive occupations. While the Service Secretaries must be aggressive in prosecuting and punishing perpetrators of sexual assault, they must increase their efforts to protect service members from the threat of sexual assault in the first place. Further, commanders remain responsible for ensuring good order and discipline in their units and should be held responsible when crimes are committed under their watch. Recent allegations that commanders ignored reports of sexual assault or permitted inappropriate work environments in violation of Service sexual harassment and hazing policies is extremely concerning and must not be tolerated.

The Consolidated Appropriations Act for fiscal year 2014 provided an additional \$25,000,000 to expand the Special Victims' Counsel (SVC) program to all Services. This program provides legal representatives to give advice and representation to sexual assault victims. The SVC helps navigate victims through the legal process and intervenes on a victim's behalf when appropriate. The Committee understands that the Air Force SVC pilot program has shown success in assisting victims throughout the process and believes victims throughout the military will benefit by having access to a SVC. The Committee is pleased to learn that an expansion of the program is underway and it fully funds the budget request for the SVC program.

The recommendation also includes a provision requested by the President to make funds available for the Services, including the National Guard and reserve components, to support high priority Sexual Assault Prevention and Response Program requirements and activities, including the training and funding of personnel. In addition, the Committee fully funds the budget request for Sexual Assault Prevention and Response programs and encourages the Secretary of Defense and the Service Chiefs to do more to stop this destructive epidemic in the military.

SUICIDE PREVENTION TRAINING AND OUTREACH

Suicide remains an issue of concern in the Services, especially within the Guard and reserve components. Whereas service members serving on active duty return from deployments to military bases which provide structured support networks, returning Guardsmen and reservists are frequently geographically isolated from their units and may not have the regular interactions with their peers and chain of command that their active duty counterparts experience.

The Committee is aware of programs for the reserve components, such as the National Guard Psychological Health Program, to improve access to mental health providers, and the Committee recommendation fully funds the budget request for this program. The Committee recommendation provides additional funding for suicide prevention in the Operation and Maintenance, Defense-Wide account. In addition, the Committee recognizes the important role that programs such as Yellow Ribbon play in helping Guardsmen and reservists transition to civilian life upon returning from deployment.

The Committee acknowledges the steps that the Services have taken to implement suicide prevention training and outreach efforts and to lower the rate of suicide among service members but believes that more must be done to identify at-risk service members and to improve prevention and outreach efforts. The

Committee urges the Service Secretaries to continue to make suicide prevention a key priority and to regularly update the Committee on actions being taken.

Senate Report 113-211

RESERVE COMPONENT BUDGET REPORTING

The Committee continues its requirement for the Department to provide a semi-annual detailed report to the congressional defense committees showing transfers between sub-activities within the military personnel appropriation. Reports shall be submitted not later than 30 days following the end of the second quarter and 30 days following the end of the fiscal year.

ADVANCED TRAUMA TRAINING PROGRAM FOR THE NATIONAL GUARD

The Committee recognizes the valuable support universities, hospitals, and other military partners provide by offering civilian-based emergency response trauma training to sustain medics' and medical providers' capabilities of the National Guard Enhanced Response Forces Packages [CERFP], the National Guard Enhanced Response Forces Packages [NGHRF], and the Army Reserve Consequence Management Response Forces [CCMRF]. The Committee encourages the National Guard and Reserve to continue pursuing state-of-the art trauma training with these civilian partners, thus maintaining unit medical readiness postures at optimum levels as military healthcare providers in CERFPs, NGHRPFs, and CCMRFs maintain their individual skills to respond effectively to emergency incidents on the Homeland. Furthermore, in order to minimize the civilian-military operational gaps in the event of a catastrophic incident, the Committee also encourages the development of enhanced preparedness medical training programs focusing on mass casualty triage, advanced disaster life support, advanced hazardous material life support, emergency dental, and psychological health by increasing civilian-based advanced trauma expertise gained through day-to-day experiences and medical research programs.

STEM EDUCATION AND STARBASE

The Committee finds that consolidation of Science, Technology, Engineering, and Mathematics [STEM] education programs and significant changes to the STARBASE program are not advisable at this time. STARBASE provides a unique low-cost leveraging of community and military resources that another Federal agency will be able to duplicate. The benefits of cooperative community and military relationships stimulate the long-term interest of youth in STEM careers. Therefore, the Committee provides a \$25,000,000 to continue the Department of Defense STARBASE program in fiscal year 2015. The Committee encourages the Secretary of Defense to continue the STARBASE program in future fiscal years.

ARMY AVIATION RESTRUCTURE INITIATIVE

The Army's fiscal year 2015 budget request proposes a significant restructuring of Army aviation assets. This includes transferring all Apache helicopters to the active Army from the Army National Guard and shifting Blackhawk helicopters from the active Army to the Army National Guard. The proposal also includes retiring the Kiowa Warrior helicopters and replacing the TH-67 trainer helicopters with Lakota helicopters. The Committee believes the Army has not considered the full fiscal implication of the proposal, and the Army has not provided the Committee a comprehensive divestiture plan for the retiring helicopters.

The Committee understands that the Army estimates saving a total of \$11,942,000,000 under the ARI, including \$10,300,000,000 from divestiture of the Kiowa Warrior helicopters. However, the Committee notes the Army's cost estimate fails to account for increased costs to procure and maintain additional Lakota helicopters, to train the Army Active Duty and Army National Guard pilots for the new missions, and to operate and maintain Apaches and Blackhawks. Therefore, the Committee directs Cost Assessment and Program Evaluation [CAPE] to do an independent cost analysis of both the ARI and the alternate Army National guard estimates to complete the proposed transfer and associated out-years costs. The Director, CAPE shall provide a report to the congressional defense committees 120 days after enactment of this act.

In addition, the Committee directs the Secretary of the Army to submit a report to the congressional defense committees not later than 120 days after the enactment of this act on the divestiture plan for unneeded Army helicopters. This report should address (1) the number of airframes being divested under the ARI by fiscal

year, (2) the number of airframes being transferred to other Government agencies, (3) the number of airframes being offered for sale to other nations, (4) the cost of divesting these aircraft, (5) the impact the divestiture of these airframes will have on the domestic rotary wing industrial base and (6) the impact of the divestiture plan military readiness. Further, the Secretary of the Army is directed not to allow the resale or auction of any divested airframe until 30 days after the report is submitted to the congressional defense committees.

ARMY NATIONAL GUARD BLACKHAWKS

The Committee acknowledges that the older UH-60As need to be modernized and replaced as quickly as possible for the Army National Guard Blackhawk fleet to remain viable and mission capable. It is projected that the Army National Guard will not retire their last UH-60A until 2025, while the Active Army will retire their last UH-60A in 2020. Therefore, the Committee recommends accelerating the fielding of new UH-60M helicopters to the Army National Guard.

HIGH MOBILITY MULTI-PURPOSE WHEELED VEHICLE [HMMWV] AMBULANCE

The Committee recognizes the continued value of the HMMWV ambulance, which is tasked to respond to contingency operations, domestic emergencies, and humanitarian assistance requests. The Committee also recognizes that the Army National Guard and the Army Reserve have identified significant shortfalls in HMMWV ambulances which hinder training and operational capabilities. Therefore, the Committee provides \$60,000,000 for procurement of HMMWV ambulances.

C-130 AVIONICS MODERNIZATION PROGRAM

The Committee supports modernization of the C-130H fleet and understands the Air Force plans to operate approximately 150 C-130H models for the foreseeable future. As such, the Committee supports continuation of the C-130 Avionics Modernization Program [AMP] Program to ensure the Air National Guard operates relevant and modernized aircraft. Therefore, consistent with the report accompanying S. 2410, the National Defense Authorization Act for Fiscal Year 2015, as reported, the Committee directs the Air Force to obligate prior year funds authorized and appropriated for the C-130 AMP program to conduct such activities as are necessary to complete testing and transition the program to production and installation of modernization kits.

C-130 AIRCRAFT FLEET

The Committee recognizes the Air Force's commitment to intra-theater lift as supported by the multi-year procurement plan of the C-130J aircraft. However, with a sizable fleet of older model C-130s residing within the Reserve components, the Committee is concerned with the long term sustainment of the fleet. Consistent with section 138 of S. 2410, the NDAA for fiscal year 2015, the Committee directs the Air Force to develop a modernization, recapitalization and fielding plan for the current C-1309 fleet that addresses the most recent Quadrennial Defense Review requirement that the Air Force maintain 300 intra-theater aircraft and addresses the recommendations of the National Commission on the Structure of the Air Force.

JOINT SURVEILLANCE AND TARGET ATTACK RADAR SYSTEM [JSTARS] RECAPITALIZATION

The Committee is encouraged by the Air Force's effort to replace the aging, and increasingly costly, JSTARS E-8C aircraft, and supports the conclusions of the Air Force's Analysis of Alternatives [AOA] study. The AOA determined that a business jet aircraft outfitted with existing moving target indicator [MTI] radar and battle management command and control [BMC2] technology would meet the combatant commanders' warfighting requirements at the lowest cost. However, the budget request shows that the Air Force intends to pursue a tradition acquisition program and expend nearly \$2,000,000,000 on a research and development effort despite the fact that existing radars could be integrated onto existing business jet airframes.

The Committee is concerned that the Air Force plans to begin retirement of this high demand/low density asset in 2016 just as it is embarking on an extensive development program with no production planned until 2019. Further, the Air Force plans to launch into competitive prototyping in fiscal year 2015 before a formal capabilities development document is approved that finalizes the system requirements to be prototyped. The Air Force states their plan is to leverage high technology readiness level communication, sensor, and BMC2 system technologies to reduce program cost, schedule, and risk.

However, the program, as laid out, will not enter into the engineering, manufacturing, and development phase until fiscal year 2017, with over \$400,000,000 spent prior to that phase. The current acquisition

strategy does not reflect the mature, affordable and existing components that will be utilized. The Committee believes this is an integration effort rather than a research and development effort, and for that reason, reduces the fiscal year 2015 request by \$63,088,000, and directs the Secretary of the Air Force to reassess the acquisition strategy to shorten the development phase and enter into production earlier.

NATIONAL GUARD EMBEDDED MENTAL HEALTH PROGRAMS

The Committee recognizes that suicide continue to be an area of concern in the National Guard and Reserve components. Programs to improve access to behavioral healthcare for National Guard and Reserve members and their families through a collaboration of Federal, State, and community partners are helping to address gaps in treatment. The Committee provides \$10,000,000 to be utilized by the Director of Psychological Health Programs of the National Guard Bureau for implementation of embedded mental health programs in States determined by that office to be at high risk for suicides.

NATIONAL GUARD FACILITIES AND ASSETS

The Committee recognizes the number of existing National Guard operational, training, logistics, and maintenance capabilities that can be utilized by Federal, State, and local entities to reduce Federal overhead costs. The Committee encourages the Department of Defense to coordinate interagency use of facilities and capabilities for cost-savings and improved efficiencies in achieving homeland security training and other core mission objectives.

OPERATION AND MAINTENANCE BUDGET JUSTIFICATION

To further inform the congressional review, the Committee directs every sub-activity group in O&M that funds recruiting and advertising activities shall include the budget profile broken out by recruiting and advertising for the prior year, current year, and budget year as part of the performance criteria in the OP-5 exhibit. The Army National Guard shall include three categories broken out separately: recruiting, marketing, and retention. The Army National Guard is further directed to break out funding profiles for specific programs under each category providing more specific information about what is funded in each. Among other line items, one under marketing shall be sports sponsorships.

COLLABORATION WITH THE DEPARTMENT OF VETERANS AFFAIRS

The Committee understands the Guard Reserve records are often the most difficult for the VA to obtain because many of these veterans saw multiple, non-consecutive deployments, with different units. In January 2014, DOD created there service Single Points of Entry for VA to contact for information requests. The committee understands that DOD and VA are still collaborating on expanding the Single Points of Entry concept to assist in the transfer of Guard and Reserve records and encourages both Departments to standardize this process in order to ensure the timely processing of benefits for Guard and Reserve service members.

NATIONAL GUARD COUNTER-DRUG PROGRAM

The Committee remains concerned that the Department continues to reduce funding for the National Guard Counter-Drug program, and disagrees with the fiscal year 2015 President's budget request to eliminate funding for operation of the Counter-Drug Schools program. The counter-drug schools' mission of providing combatant commands, law enforcement agencies, community-based organizations and military personnel with training to support and enhance their capabilities to detect, interdict, disrupt and curtail drug trafficking is an important component of our overall effort to reduce drug crimes and protect our national security. To ensure this training remains available, the Committee provides \$216,700,000 to the National Guard Counter-Drug program and directs the National Guard Bureau to continue operation of the existing counter-drug schools to achieve their full mission.

NATIONAL GUARD AND RESERVE EQUIPMENT ACCOUNT

The Committee recommends \$1 billion for the National Guard and Reserve Equipment Account in the Overseas Contingency Operations account. The appropriation includes direction for each Reserve and National Guard component commander to submit to the congressional defense committees a detailed assessment of that component's modernization priorities, not later than 30 days after enactment of the legislation.

High-Priority Items – The Committee directs the National Guard and Reserve Equipment Account shall be executed by the Chiefs of the National Guard and Reserve components with the priority consideration given to the following items: C-130 Propulsion Upgrades; C-130 and KC-135 Secure Line-of-Sight/Beyond Line-of-Sight [SLOS/BLOS] Data Link and Situational Awareness Cockpit Displays; Chemical and Biological Protective Shelters; Coastal Riverine Force Boats and Communications Upgrades; Combat Mobility Equipment; Communications, Navigation and Surveillance/Air Traffic Management [CNS/ATM]; Construction Engineering Equipment; Crashworthy Auxiliary Fuel Systems; Cyber Range Training Equipment; F-15C/D AESA Radars; F-15/F-16 Sensor Upgrades; Fire-resistant Environmental Ensemble; TMTV Virtual Trainers; HMMWV Ambulances; HMMWV Modernization; In-Flight Propeller Balancing System; Integrated Vehicle Health Management System for UH-72As; Large Aircraft Infrared Counter-measures [LAIRCM]; Light Utility Helicopters; Mobile Satellite Networking Technology; Naval Construction Force Equipment; Radio Enhancements; Palletized Loading Systems; Reactive Skin Decontamination Lotion; Rotary Medium Cargo [H-60M] modernization; Security and Support/Civil Support Communication Package for UH-60s; Semi-permanent Humidity Controlled Shelters; Semitrailers; Simulation Training Systems; Small Arms Simulation Training Systems; TACSAT Radios; Tactical Communications Equipment for MQ-9s; Tactical Trucks; Ultra-Light Tactical Vehicles; and Wireless Mobile Mesh Network Systems.

NATIONAL GUARD AND RESERVE EQUIPMENT REPORT

The Committee utilizes the annual National Guard and Reserve Equipment Report [NGRER] as a valuable repository for information on equipment requirements, inventories, and shortages for the Guard and Reserve components. In the fiscal year 2015 NGRER, the Army changed the way in which it calculated its equipment shortages to include modernized substitutes, and therefore the Army's equipment shortage data was not included in the Report. The Committee notes that this is a break from past reports and that this change in calculation detracts from the usefulness of the Report. The Committee directs the Army to provide data excluding modernized substitutes in future NGRERs.

SIMULATION TRAINING SYSTEMS

The Committee acknowledges that simulation training is a cost-effective means by which military units can improve tactical decision-making skills and readiness. The Committee encourages the Department of Defense to use a portion of National Guard and Reserve Equipment Account funding to continue the procurement of simulation training systems and to seek the appropriate combination of Government-owned and operated simulators as well as contractor support in order to maximize efficiency and effectiveness.