

# H.R. 6523, NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2011

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## **OVERVIEW**

The National Defense Authorization Act for Fiscal Year 2011 (NDAA) makes record investments in our nation's military, authorizing a \$725 billion budget to further strengthen our national security, provide our brave men and women in uniform with the tools to do their jobs, and take care of our service members and their families who make sacrifices right there beside them. It utilizes a sound and balanced strategy to provide the resources we need to sustain two wars today and to be prepared for the threats of tomorrow—whatever and wherever they may be.

### **STRENGTHENING COUNTERTERRORISM EFFORTS**

This year's bill further strengthens our national security by continuing Congress's work to provide the necessary funding, authorities, and oversight for those who defend America from terrorists. It fully supports President Obama's counterinsurgency strategy in Afghanistan, the nation that served as the genesis for multiple attacks against America, including the terrorist attacks of September 11, 2001. The President's plan in Afghanistan continues to show clear signs of tactical success, putting us on the road toward ensuring that Afghanistan will no longer be used as a safe haven for terrorists.

The bill provides the resources to successfully implement this new strategy and continues to fix the dramatic shortfalls of the previous Administration, when the war in Afghanistan was the Forgotten War. It supports the President's strategy on both sides of the border, helping to strengthen the relationship with Pakistan by expanding Coalition Support Funds. Additionally, it supports the President's efforts to strengthen strategic partnerships with key nations, such as Yemen.

### **STRENGTHENING MISSILE DEFENSE**

The FY11 NDAA also takes unprecedented steps to strengthen our missile defense, continuing to move away from the Cold War mentality and instead align our missile defense policy with the threats of the 21<sup>st</sup> century. The bill provides support to the President's new Phased, Adaptive Approach to missile defense, which places the highest priority on countering our most immediate threats from nations like Iran and North Korea with proven and effective defense systems, while still providing us with the flexibility to be prepared for the threats of tomorrow.

### **STRENGTHENING NUCLEAR NONPROLIFERATION**

The efforts of terrorist organizations like al Qaeda to obtain nuclear capabilities are among the most serious threats facing America today. While the threat of nuclear war with a superpower is diminishing, the threat of nuclear terrorism and the risk that nuclear materials might spread to countries hostile to the U.S. are increasing. We cannot adequately protect our nation until we bring our nuclear policy out of the Cold War era and into the 21<sup>st</sup> century, and the bill fully

supports the President's efforts to secure vulnerable nuclear material and prevent the spread of nuclear weapons to those who seek to do us harm. It funds key programs such as the Department of Energy's Global Threat Reduction Initiative and International Nuclear Materials Protection and Cooperation program and the Global Nuclear Lockdown activities under the Department of Defense's Cooperative Threat Reduction Program.

### **STRENGTHENING OUR SERVICE MEMBERS AND THEIR FAMILIES**

Our nation has the best military in the world, and Congress remains committed to providing the very best care and benefits to our troops and the families who are always there to lift them up. This year's bill provides a 1.4 percent pay raise to the troops, allows military families to extend TRICARE coverage to their dependent adult children until age twenty-six, improves the Yellow Ribbon Reintegration Program, and restructures certain education benefits. This year's bill also includes the most comprehensive legislation package ever to address sexual assault in the military and creates a more robust domestic violence prevention program.

## **MILITARY PERSONNEL SUBCOMMITTEE**

The Military Personnel Subcommittee, led by Chairwoman Susan Davis (D-Calif.), is responsible for overseeing \$197 billion to meet the needs of our service members and their families. This subcommittee makes sure that our troops and their loved ones are receiving the first class benefits that they deserve.

### **MILITARY PERSONNEL HIGHLIGHTS**

- Provides a 1.4 percent pay raise to our troops to match the pay raise rates in the private sector.
- Extends TRICARE coverage to dependent children up to age 26.
- Introduces the most comprehensive legislative package ever to address sexual assault in the military.
- Provides \$30 million of impact aid to local schools with a high enrollment of military children, \$10 million of impact aid to local schools with enrollment changes due to base closures, force structure changes, or force relocations, and \$10 million of impact aid for local schools with children with severe disabilities.

### **SEXUAL ASSAULT**

Following an intense year of work by the Military Personnel Subcommittee, and following years of bi-partisan work by the House Armed Services Committee, this year's bill implements into law many of the recommendations of the Defense Task Force on Sexual Assault in the Military Services—the single most comprehensive legislative package in history to address sexual assault in the military. Among other provisions, the bill:

- Ensures that a comprehensive plan is developed and implemented to reduce the number of sexual assaults in the Armed Forces.
- Requires the use of consistent terminology, program structures, and organizational structures throughout DOD.
- Establishes comprehensive and consistent protocols for providing and documenting medical care to victims.
- Extends victim advocate services to dependents of members of the Armed Forces.
- Bolsters reporting requirements to ensure adequate oversight.
- Staffs the Department's Sexual Assault and Prevention Office with officers from each of the Armed Forces, including an officer in the grade of O6.
- Requires the Secretary of Defense to evaluate a number of issues to determine, among other issues, if further regulatory or legislative action is necessary with regard to victim support services and sexual assault prevention and response programs in remote or joint environments.

## **TRICARE EXTENSION**

Earlier this year, the President signed into law a bill to overhaul America's health care system. Because TRICARE is already such a good program, it already would have met all of the minimum requirements of health care reform. However, Congressional leadership made and kept a promise to ensure that TRICARE was not impacted in any way by the health reform bill. Unfortunately, this means that TRICARE beneficiaries are not currently able to extend health coverage to their adult dependent children up to age 26 like the rest of the country. To make sure that TRICARE beneficiaries can enjoy this same opportunity, this year's NDAA includes language from legislation introduced by Congressman Martin Heinrich (D-N.M.) to allow TRICARE beneficiaries to extend coverage to their dependent children until age 26, the same benefit that was afforded to individuals with private insurance policies under the new health care law.

## **MENTAL HEALTH CARE**

As our nation's military continues its ninth consecutive year of combat, the strain on its medical services continues to increase. Congress continues its commitment to making sure that our men and women in uniform and their families have access to the highest quality care, and it remains concerned about the lack of qualified health care professionals—particularly mental health care providers—to treat our service members. This year's bill continues the work from previous years to help address these concerns, such as requiring the services to increase their numbers of authorized mental health providers by twenty-five percent and increasing the number of Health Professions Scholarship and Financial Assistance Program (HPSP) scholarships for mental health providers. It allows an exemption for medical providers older than age 42 to be considered for regular appointments, providing our active forces greater flexibility to recruit health care professionals. It also increases incentives for students in health care education programs to pursue military careers by allowing HPSP participants to also receive payments from the Active Duty Health Professions Loan Repayment Program (ADHPLRP).

## **END STRENGTH**

This year's NDAA authorizes an increase in end strength for the Army and Air Force in FYII. It also recognizes a requirement for Navy end strengths to temporarily remain at a higher level, although the concerns remain that these increases may be insufficient to meet the increased operational tempo and increasing support requirements being generated by more than eight years of war.

## **IMPROVED OVERSIGHT OF MEDICAL TRAINING RELATED TO THE SHOOTING AT FT. HOOD**

There are concerns that substandard or unacceptable behavior displayed by students and residents training to become military physicians may not be properly documented in military personnel records, as indicated by the findings of the DOD Independent Review Related to Fort Hood. To address this concern, the bill requires the Secretary of Defense to perform a review of training programs for military Medical Corps offices to determine whether their academic and military performance has been properly documented in their military personnel records.

## **WOMEN IN COMBAT**

The bill directs the Secretary of Defense to review military laws and regulations, such as the collocation policy, that may restrict the service of women in uniform. The review would also include an assessment of whether any of these policies need to be modified to ensure that our female service members have an equitable opportunity to compete and excel in the Armed Forces.

## **SPECIAL AND INCENTIVE PAYS AND BONUSES**

This year's bill extends special pays and bonuses for a wide variety of groups and services, including enlistments, reenlistments, accessions, referrals, retention, and critical wartime specialties such as mental health professionals and nurses.

## **RESERVE COMPONENT ISSUES**

Dual status technicians, who serve in both civilian and uniformed roles, offer a unique full-time capability to our reserve component. This year's bill provides the Secretaries of the Army and the Air Force with the permanent authority to hire non-dual status technicians to fill vacancies created when a dual-status technician is deployed. The bill also authorizes reserve component members to carry over accumulated leave earned while mobilized instead of forcing them to use it or sell it back to the government. This will enable reserve component members to have available leave time at the start of subsequent mobilizations and deployments.

## **DOMESTIC VIOLENCE PREVENTION**

The bill makes important improvements to DOD's domestic violence programs. It requires the Department to develop a comprehensive management plan to address data deficiencies, a plan to ensure that programs are adequately staffed, and a plan to develop an oversight framework. These measures emphasize Congress's strong commitment to taking care of military families and to ensuring that military communities are safe.

## **YELLOW RIBBON REINTEGRATION PROGRAM**

This year's bill enhances the Yellow Ribbon Reintegration Program by authorizing service- and state-based programs to provide access to all service members and their families. It requires DOD to provide information about employment opportunities when they return from deployment, and it recommends the inclusion of resiliency training into the programs. The bill also authorizes travel and transportation for members of the uniformed services and up to three designees to attend Yellow Ribbon Reintegration Program events.

## **RETIRED ANNUITY PAY**

The bill requires the Secretary concerned to pay retired annuities on the first day of the month, thus eliminating delayed payments when pay days fall on weekends.

## **READINESS SUBCOMMITTEE**

The Readiness Subcommittee, under the leadership of Chairman Solomon Ortiz (D-Texas), oversees \$302 billion in resources, including \$282 billion for Operation and Maintenance (O&M) of military equipment and installations—the single largest account within the Department’s budget. This subcommittee is responsible for making sure that our troops are properly trained and their equipment is properly maintained so they can succeed in their missions, and it makes sure they have the facilities and services they deserve when they return home. It also oversees civilian personnel, energy security, and environmental issues that affect DOD.

### **READINESS HIGHLIGHTS**

- \$32 billion to fund active-duty Army and Marine Corps operating forces throughout the world, including in Afghanistan.
- \$38 billion for Navy and \$28 billion for Air Force worldwide operating forces (active-duty only).
- \$7.5 billion for Active Army Base Operating Services to support day-to-day operations on our Army bases.
- \$345 million to fully fund the first increment of construction funds necessary to modernize DOD schools.
- \$14 billion for the training of all active-duty and reserve forces to increase readiness as troops experience greater dwell time following the Iraq drawdown.
- \$626 million for supplies and equipment prepositioned throughout the world, on land and at sea, for quick response to emerging contingency operations.
- \$9 billion for Navy ship and aircraft depot maintenance.
- \$10 billion for Army and Marine Corps equipment reset and depot maintenance.
- \$4 billion for depot maintenance of active and reserve Air Force aircraft.
- \$120 million for energy conservation and renewable energy projects.

### **READINESS FUNDING**

This year’s bill authorizes more than \$282 billion for Operation and Maintenance, including \$115 billion in funding for Overseas Contingency Operations. This figure includes an increase of \$12 billion from funds authorized in the O&M base budget in FY10 to support the daily operations, training, and administration of U.S. armed forces at home and abroad. It also includes \$19 billion for military construction, base realignment and closures, and military family housing.



## **EFFECTS OF RENEWABLE ENERGY ON MILITARY OPERATIONS**

As the construction of renewable energy projects across the nation increases, new challenges associated with military readiness are emerging, including the obstruction of military aviation training routes and radar. To address these issues and better balance our energy security and military readiness, the bill provides tools to the Department to identify potential conflicts and remedy them in a timely manner.

## **GUAM**

The bill maintains the steadfast commitment to the international agreement between Japan and the United States, including the movement of our Marine Corps forces to Guam. It includes several key provisions to assist in a smooth implementation of this strategic realignment, including continued military construction funding for certain projects, an assessment of civilian infrastructure needs to support the movement of forces, and a process to unify the utility systems on the island.

## **PRIVATE SECURITY CONTRACTING**

The bill improves how the Department uses private security contractors by requiring a review of operational and business standards applicable to private security contractors. It also allows the Department to consider a third-party certification for all contractors who provide security services to DOD to ensure the quality and experience of private security contractors.

## **DEPLOYED CIVILIANS**

The benefits provided to DOD civilian employees deployed to combat zones continue to be a source of concern. Federal civilian employees are increasingly providing important support in contingency operations. To address this issue, the bill includes a one-year extension of the authorization to allow premium pay for civilians deployed to Central Command.

## **DOD INSOURCING INITIATIVE**

The insourcing of jobs within the Department of Defense is an important initiative to achieve cost savings and reduce our reliance on private contractors. The bill supports the Administration's efforts to bring these critical jobs back within the Department to make sure our government has the capabilities and skills necessary to keep our military running, particularly within the acquisition workforce. The bill prohibits the establishment of any arbitrary goals or targets to implement DOD's insourcing initiative. It also requires reports from both DOD and GAO to examine the insourcing initiative.

## **ENERGY INITIATIVES**

Congress continues to monitor DOD's energy use and to encourage the Department to be more energy efficient, increase use of renewable energy, and enhance energy security. The bill includes several energy-related provisions for both operational and installation energy. It requires each military department and defense agency to develop an "Energy Performance Master Plan" that includes baselines, metrics, milestones, and investments needed to meet the Department's energy performance goals. It also requires the Department to include in its energy performance plan the consideration of hybrid and high-efficiency vehicles and opportunities for high-performance construction, lease, operation, and maintenance of buildings. The bill also includes provisions related to sustainability, requiring a report on how DOD is achieving its sustainability goals for the procurement of environmentally preferable products and services. Finally, the bill clarifies the competition requirements for energy savings performance contracts to ensure that there is effective competition on energy performance savings projects while simplifying the contractor proposal review process.

## **ENVIRONMENTAL INITIATIVES**

The bill authorizes \$1.3 billion for environmental restoration across the military services. This funding will be used to address identify, address, and clean up or control hazardous waste contamination that originated from past DOD activities, operations, or spills, including cleanup of formerly used defense sites. In addition, the bill authorizes \$40 million for the Readiness and Environmental Protection Initiative, which aids in the protection of military training installations from encroachment while preserving natural habitats. It also requires GAO to assess the Department's processes and policies for handling environmental exposures on military installations, including impacts to current and former service members, their dependents, and civilian employees.

## **SEAPOWER AND EXPEDITIONARY FORCES SUBCOMMITTEE**

The Seapower and Expeditionary Forces Subcommittee, led by Chairman Gene Taylor (D-Miss.), conducts oversight of our military's naval programs. Through its authorization of more than \$60 billion for Navy and Marine Corps procurement and research and development programs, this subcommittee continues its commitment to reversing the decline in the Navy battle force fleet, strengthening the naval air component, and providing the Marine Corps warfighter with essential equipment for combat operations.

### **SEAPOWER HIGHLIGHTS**

- \$18.9 billion for aviation programs for the Navy and Marine Corps.
- \$16 billion for Shipbuilding and Conversion to fund Navy ships.
- \$359 million for MARAD.

### **MARINE CORPS PROGRAMS**

This year's NDAA fully authorizes the \$3.1 billion budget request for Marine Corps procurement to help protect our Marines during combat operations. The bill supports development efforts associated with new Marine Corps ground vehicles, including the Expeditionary Fighting Vehicle (EFV), although there are concerns about the EFV design incorporating a flat-bottom hull that may not be as survivable as an MRAP against an IED threat.

### **NAVY AND MARINE CORPS TACTICAL AIRCRAFT INVENTORY**

The bill authorizes \$18.9 billion for aviation programs for the Navy and Marine Corps. However, concerns remain about the Navy and Marine Corps managing and accepting an unprecedented level of operational risk within their tactical air force structure while waiting for the completion of the F-35B and F-35C. It is estimated that by FY 2017, the Navy and Marine Corps inventory could be at least 250 aircraft short of requirements—the equivalent of five carrier air wings. This is an unacceptable outcome, and Congress will not support future budget requests that fail to address the factual realities of a naval strike fighter shortfall. Barring a complete reversal of the development and performance failures in the Joint Strike Fighter program, Congress expects future budget submissions to continue the production of F-18s to prevent our naval airpower from losing significance in our nation's arsenal.

## **PRESIDENTIAL HELICOPTER PROGRAM**

The excessive costs incurred by the terminated VH-71 executive helicopter program, which cost taxpayers more than \$3 billion with little to no return, are disappointing. This year's NDAA supports the acquisition strategy of the Navy to develop a new presidential helicopter, and the bill requires a formal annual report by GAO analyzing the cost schedule program to make sure that the problems of the VH-71 are not repeated.

## **SHIPBUILDING PLANS**

The Navy's shipbuilding plan should reflect the shipbuilding requirements that are outlined in the Quadrennial Defense Review. To better align the Navy's plans with the QDR, the bill changes the reporting requirements of the 30-year shipbuilding plan to be delivered to Congress every four years with the Quadrennial Defense Review.

## **MARITIME ADMINISTRATION (MARAD) PROGRAMS**

The bill authorizes \$359 million for the Maritime Administration of the Department of Transportation, including:

- \$100 million for operational expenses at the Merchant Marine Academy, including \$30.9 million for infrastructure and capital improvements.
- \$174 million for the Maritime Security Program.
- \$15 million to support the state maritime academies.
- \$10 million to dispose of obsolete vessels.
- \$60 million for the Title XI guaranteed loan program.

Additionally, the bill extends the authorization of funding for the Maritime Security Program from 2015 to 2025.

## **AIR AND LAND FORCES SUBCOMMITTEE**

The Air and Land Forces Subcommittee, led by Chairman Adam Smith (D-Wash.), conducts oversight of the R&D and procurement programs under the purview of the Army and Air Force, including Army and Air National Guard and Reserve. Through the \$78.1 billion authorization for procurement and research and development, this subcommittee ensures that America's soldiers and airmen are fully equipped to carry out their missions and keep our nation safe.

### **AIR AND LAND HIGHLIGHTS**

- \$3.4 billion to fully fund the Mine Resistant Ambush Protected (MRAP) vehicles that help protect our soldiers from improvised explosive devices (IEDs).
- \$3.5 billion for the Joint Improvised Explosive Device Defeat Organization (JIEDDO) to help counter the use of IEDs against our warfighters and prevent casualties.
- \$700 million for National Guard and Reserve Equipment Account.

### **SYSTEM MANAGEMENT PLAN FOR THE F-35 PROGRAM**

There is concern that progress on F-35 development and testing is behind a schedule that would warrant planned future production levels. Significant cost risks can result from buying large quantities of the F-35 with only five percent of its flight testing complete. To address concerns over the serious delays and cost overruns in the F-35 program, the bill requires the Department of Defense to establish a management plan under which decisions to commit to specified levels of production are linked to progress in meeting specified program milestones, including design, manufacturing, testing, and fielding milestones for critical system maturity elements.

### **GROUND COMBAT VEHICLE**

The NDAA fully funds the Administration's adjusted request of \$461 million for the Ground Combat Vehicle (GCV) and includes a provision that requires DOD to provide to Congress the complete analysis of alternatives study that was conducted prior to the release of the request for proposals in December 2010.

### **EARLY INFANTRY BRIGADE COMBAT TEAM PROGRAM**

The EIBCT program continues to demonstrate subpar performance across the board. The only independent test data available, from September 2009, showed that all EIBCT items had serious shortfalls, and not a single item met reliability requirements. In April of this year, the Army terminated the costly non-line-of-sight launch system (NLOS-LS), one of the last remaining

EIBCT components. Additionally, the Army still has unobligated funds provided by Congress for EIBCT in FY08, FY09, and FY10 that will sufficiently cover any program costs should the Army choose to pull out components of EIBCT and field them separately to meet theater demands.

### **NATIONAL GUARD AND RESERVE EQUIPMENT**

The National Guard and Reserve units continue to experience severe equipment shortfalls, particularly among items that are critical for dual use roles of combat operations and domestic emergencies. The bill authorizes a separate National Guard and Reserve Equipment Account funded at \$700 million above the Administration's request, for a total of \$7.2 billion overall for the procurement of aircraft missiles, wheeled and tracked combat vehicles, ammunition, small arms, tactical radios, logistic automation systems, and other equipment for the National Guard and Reserve Components.

### **COUNTER-IED INITIATIVES DATABASE**

Although different branches of the military have been doing notable work on counter-IED initiatives, the Department lacks an overarching system to track these initiatives across the services. To increase efficiency in these efforts to keep our service members safe, the bill requires the Secretary of Defense to direct the creation of a department-wide database for all counter-IED initiatives among the military services and the Joint Improvised Explosive Device Defeat Organization (JIEDDO).

### **LIGHTWEIGHT BODY ARMOR**

Many of our warfighters on the ground have expressed the need for lighter-weight body armor to help them perform their mission in Afghanistan more effectively. To address this issue, the bill commissions a study to identify and examine the requirements for lighter-weight body armor systems.

### **JOINT LIGHT TACTICAL VEHICLE**

The Joint Light Tactical Vehicle (JLTV) program is a necessary and ambitious attempt to replace Humvees across the armed forces. Because of the broad spectrum of capabilities these new vehicles will be expected to provide, we cannot allow it to fall victim to the cost growth and unnecessary schedule delays that have plagued other major acquisition programs at DOD. To address this, the bill separates the program into distinct elements to provide Congress with increased transparency and allow for more effective oversight.

## **UNMANNED AERIAL VEHICLES**

The Air Force's Global Hawk Unmanned Aerial System (UAS) and the Navy's Broad Area Maritime Surveillance (BAMS) system were planned to achieve maximum system commonality and interoperability. However, differing, evolving, service-unique requirements, coupled with Global Hawk UAS vanishing vendor issues, are resulting in a divergence in each service's basic goal of maximum system commonality and interoperability, particularly with regard to the communications systems. To address these concerns, the bill directs the Under Secretary of Defense for Acquisition, Technology, and Logistics to certify to Congress that he has reviewed the communications requirements and acquisition strategy for both the Global Hawk UAS and BAMS systems programs, that the requirements of each service's communications systems have been validated, and that the acquisition strategy being executed for each system achieves the greatest possible commonality and represents the most cost-effective option for each program.

## **INTELLIGENCE INFORMATION SHARING**

A series of GAO reports highlighted the insufficient leadership, direction, guidance, and oversight of the Department's Intelligence, Surveillance, and Reconnaissance (ISR) programs at the Office of the Secretary of Defense (OSD) and Office of the Joint Chiefs of Staff (OJCS) levels. In addition to concerns about the adequacy of overarching direction and guidance for sharing intelligence information across the defense intelligence community, there are concerns about the adequacy of planning and coordination related to the rapid growth in unmanned aerial systems, particularly with regard to anticipating personnel requirements, basing, operating locations, training requirements, and availability of airspace and ranges. Also troubling is the large expenditure of funds related to the management, collection, storage, and use of biometric information and equipment and whether OSD and OJCS are exercising the authority to ensure efficient expenditure of resources and the establishment of common standards for collection, storage, and use of this information. The bill directs DOD to examine these issues and report to the congressional defense committees.

## **TERRORISM AND UNCONVENTIONAL THREATS AND CAPABILITIES SUBCOMMITTEE**

The Terrorism and Unconventional Threats and Capabilities Subcommittee, led by Chairwoman Loretta Sanchez (D-Calif.), is responsible for overseeing approximately \$28 billion for U.S. Special Operations Forces, chemical and biological defense, counterproliferation of weapons of mass destruction, Information Technology (IT), defense-wide Science and Technology (S&T), chemical demilitarization, and other areas focused on defending our nation against unconventional threats.

### **TUTC HIGHLIGHTS**

- \$2.6 billion for homeland defense and counterproliferation activities, including \$1 billion for the Defense Threat Reduction Agency and \$1.6 billion for the Chemical Biological Defense Program.
- \$9.8 billion for SOCOM and to expand and extend authorities supporting counterterrorism.
- \$1.5 billion for defense chemical agent and munitions destruction.
- \$21.3 billion for defense-wide research, development, and test and evaluation.

### **DEPARTMENT OF DEFENSE RAPID INNOVATION FUND**

This year's NDAA requires DOD to establish a competitive, merit-based program to stimulate, develop, and rapidly transition innovative ideas, primarily from small businesses, into defense acquisition programs that meet critical national security needs.

### **COUNTERTERRORISM SUPPORT FOR SPECIAL OPERATIONS FORCES AND NATO ALLIES**

Our success in the fight against terrorists depends in part on our ability to provide assistance to foreign forces, irregular forces, and other groups and individuals who support or facilitate the military operations of U.S. Special Operations Forces (SOF). This year's bill expands the "1208 Program" and authorizes up to \$45 million in assistance to these critical partners. This year's bill also expands authorized funding levels to \$50 million for the NATO Special Operations Headquarters, which serves as a critical coordination hub for NATO Allied special operations in Afghanistan and other regions.



## **HUMAN TERRAIN SYSTEM**

There are increasing concerns that the Army's Human Terrain System (HTS), designed to leverage social science expertise to support operational commanders in Iraq and Afghanistan has not paid sufficient attention to addressing certain concerns. The Department is encouraged to continue to develop a broad range of opportunities that leverage the important contributions that can be offered by social science expertise to support key missions such as irregular warfare, counterinsurgency, and stability and reconstruction operations. The bill limits the obligation of funding for HTS until the Army provides revalidation of all existing operations requirements and certifies Department-level guidelines for the use of social scientists.

## **CYBERSECURITY**

Recent events have underscored critical vulnerabilities to the information infrastructure of the U.S. Despite a number of efforts by both the Obama and Bush administrations to deal with these growing threats, these policies remain outdated. The bill requires DOD to submit a number of strategy documents and reports to improve how it approaches information assurance and cybersecurity, including software assurance, development and acquisition of cyber warfare capabilities, and protective measures to defend the Defense Industrial Base. The bill also requires DOD to initiate a process to continually monitor its information systems for cybersecurity, as well as a more rigorous process for managing major automated information systems. Additionally, it requires the Department to initiate a series of pilot projects to demonstrate how to better integrate into the global information grid the capabilities available within the private sector.

## **COUNTERING VIOLENT EXTREMISM**

The Department of Defense has not sufficiently focused its activities to counter violent extremist ideologies. In particular, there does not appear to be sufficient coordination and support of the numerous strategic communication and information operations programs to undermine the ideological narrative of various terrorist organizations. To address these concerns, the bill requires DOD to review the organizational structure and policy guidance related to information operations. It also requires the Defense Science Board to review DOD's strategy to counter violent extremism outside of the U.S.

## **NON-LETHAL WEAPONS**

Concerns remain about DOD's inability to maximize the use of non-lethal weapons to provide escalation of force options. Lack of training and inadequate operational test and evaluation plays a key role in the ineffective use of these technologies. To address these concerns, the bill requires the Secretary of Defense to carry out a program to demonstrate and assess the utility

and effectiveness of non-lethal weapons to provide escalation of force options in counterinsurgency operations.

### **PILOT PROGRAM ON ENERGY SECURITY**

Critical defense infrastructure should be more resilient to electrical grid outages and vulnerabilities. The bill authorizes the Secretary of Defense, in collaboration with the Secretary of Energy, to carry out a comprehensive energy security pilot program to help test smart and secure microgrid technologies. The program would partner a military installation with a national laboratory to evaluate and validate microgrid components and systems for deployment.

## **STRATEGIC FORCES SUBCOMMITTEE**

The Strategic Forces Subcommittee, led by Chairman Jim Langevin (D-R.I.), oversees our nation's strategic weapons, ballistic missile defense, and national security space programs, and the Department of Energy's nuclear complex, defense waste and clean-up, and energy security programs (not including nonproliferation programs), a total of roughly \$36 billion.

### **STRATEGIC FORCES HIGHLIGHTS**

- Authorizes funding above the President's budget request for ballistic missile defense.
- Authorizes \$7 billion for the NNSA Weapons Activities account, a \$624.4 million increase from last year, to support stockpile stewardship and management.
- Authorizes funding for unclassified National Security Space Programs.
- Authorizes \$5.6 billion for the Department of Energy's Environmental Cleanup programs.

### **FIELDING OF AEGIS BALLISTIC MISSILE DEFENSE**

The lack of stability in the purchase of SM-3 interceptors and the steep expansion of production of Block 1B interceptors anticipated in FY12 could put the industrial base at risk and delay increases in the inventory of a system critical to the Phased, Adaptive Approach to missile defense. The bill authorizes \$144.1 million, an increase of \$50 million from the budget request, to provide greater stability in SM-3 production and reduce the size of the production increase in FY12.

### **MISSILE DEFENSE IN EUROPE**

The bill fully supports the President's new Phased, Adaptive Approach to missile defense. However, this strategy must meet the same standard applied to the previous administration's missile defense strategy. The bill limits the availability of funds for deployment of missile defenses in Europe until any hosting country has signed and ratified the necessary agreements authorizing deployment of interceptors, and until forty-five days after Congress receives the report of the independent assessment of alternative missile defense systems in Europe required by the FY10 NDAA. Additionally, the bill limits the deployment of missile defenses in Europe until the Secretary of Defense certifies that the proposed technology is operationally effective based on successful, operationally realistic flight testing.

## **NNSA WEAPONS ACTIVITIES**

Over the past several years, there has been increasing concern regarding the ability of the National Nuclear Security Administration (NNSA) to maintain the safety, security, and reliability of the nuclear weapons stockpile into the indefinite future. This year's bill welcomes the President's commitment to reversing the dangerous decline of the last decade and fully authorizes the budget request of \$7 billion, a ten percent increase, for the Weapons Activities of the NNSA that support stockpile stewardship and maintenance. It also requires the Nuclear Weapons Council to perform independent assessments of NNSA's biennial plan for the modernization of the nuclear complex and the nuclear stockpile and requires a yearly independent assessment by the Comptroller General of the annual budget request for maintaining and modernizing the complex. It also establishes new reporting criteria for tracking costs and schedules for major construction projects and for warhead life extension programs to increase NNSA accountability and minimize the risk of delays and cost increases.

## **REPORT ON THE PHASED ADAPTIVE APPROACH**

The bill requires the Secretary of Defense to submit a report containing a detailed explanation of the analysis that led to the recommendation to pursue this new approach, as well as the factors and processes that will be used to determine the eventual numbers and locations of interceptors that will be deployed, the status of the development or production of the various elements of the system including technical readiness levels, and advances in technology that are expected to permit enhanced defensive capability. The report would also outline how the approach will meet the operational needs of the commander of the EUCOM, how it relates to plans to use a similar approach to missile defense in other geographic regions, the views of NATO on how the approach fits into the current missile defense strategy of NATO.

## **INDEPENDENT REVIEW OF THE GROUND-BASED MIDCOURSE DEFENSE (GMD) SYSTEM**

Congress has expressed concerns that the Missile Defense Agency does not have an adequate plan for operations and sustainment of the GMD system. To address this issue, the bill requires an independent review and assessment of the GMD system evaluating force structure and plans for testing and sustainment to maintain operational effectiveness.

## **MEDIUM EXTENDED AIR DEFENSE SYSTEM (MEADS)**

The Department has yet to make a final decision on the plan for the Medium Extended Air Defense System. This year's bill restricts funding for medium extended air defense system (MEADS) to 25 percent of the authorized level for FY 2011 until the Secretary of Defense decides to proceed with the program. It also requires the Secretary to submit a report that contains a description of the decision, an analysis of alternatives to MEADS, detailed cost and

schedule information, and a description of the roles of Germany and Italy in the program, including in procurement or production of elements of the program.

### **IRON DOME FUNDING**

This year's bill authorizes \$205 million for a program to cooperate with Israel on its Iron Dome short-range rocket and missile defense system. The Iron Dome system has proven effective in tests and is now deployed in the field to protect Israeli territory from the growing Iranian-Syrian-Hezbollah missile threat.

## GENERAL POLICY PROVISIONS

### FUNDS TO COMBAT TERRORISM

Foreign nations play an important role in helping us succeed in our fight against terrorists. This year's bill expands several critical authorities used by the Department in combating terrorism.

- **1206 FUNDING:** The bill extends "1206 funding" for another year and increases the amount available to build the capacity of foreign military forces to participate in military and stability operations aimed at supporting efforts in Iraq and Afghanistan to \$100 million.
- **YEMENI SECURITY FORCES:** Because of the strategic role the Republic of Yemen plays in combating terrorism, the bill authorizes the Secretary of Defense to use up to \$75 million to conduct a program to train and equip Yemeni counterterrorism forces.
- **COALITION SUPPORT FUNDS:** The bill provides \$1.6 billion for Coalition Support Fund (CSF) reimbursements to nations providing logistical, military, and other support in connection with the wars in Iraq and Afghanistan. The bill also continues to require detailed reporting requirements for reimbursements to Pakistan to ensure strong oversight of the CSF process.
- **PAKISTAN COUNTERINSURGENCY FUND:** The bill extends the Department's Pakistan Counterinsurgency Fund through FY11 to address fiscal and legal issues associated with the transfer of responsibilities in this area to the State Department and to ensure the success of efforts to build the counterinsurgency capabilities of Pakistan's security forces. The bill also requires DOD to report on the management, execution, and oversight of Pakistan counterinsurgency funds.

### FUNDING FOR OVERSEAS CONTINGENCY OPERATIONS

The bill supports the President's decision to deploy an additional 46,000 troops to Afghanistan by authorizing an additional \$33.1 billion for FY10 for the surge of additional forces in Afghanistan and in support of relief operations in Haiti. The bill also authorizes \$158.7 billion for FY11 overseas contingency operations, including operations in Afghanistan and the transition in Iraq.

## REFORMING DOD'S ACQUISITION SYSTEM

This year's defense authorization bill includes language to overhaul the defense acquisition system, potentially saving taxpayers \$135 billion and expediting the process to get our warfighters the equipment they need. Based on the recommendations outlined in the final report of the Committee's Defense Acquisition Panel, established in 2009 and led by Chairman Rob Andrews (D-N.J.) and Ranking Member Mike Conaway (R-Texas), the provisions build a better accountability system, improve the management of the acquisition workforce, create an auditable financial management system at DOD, and expand and strengthen the industrial base.

- **Building Accountability:** The NDAA builds a better accountability system to make sure we get the most out of every dollar by requiring DOD to regularly complete performance assessments using peer reviews. These assessments will make sure we are only rewarding excellence and success—not poor performance. It also creates a requirements process for the acquisition of services so we know what we need to buy before we buy it, and it requires an extensive review of the Joint Capabilities Integration and Development System.
- **Strengthening the Acquisition Workforce:** This year's NDAA adds to the quality of the defense acquisition workforce so that both military and civilian personnel get better training, better tools, and more opportunities to improve their performance and produce better outcomes. It rewards excellence in performance through salaries, bonuses, promotions, and awards to motivate the procurement workforce. It also increases training opportunities and recertification requirements to ensure that we have the best of the best when it comes to knowledgeable personnel.
- **Improving Financial Management:** The bill reforms DOD's financial management system to make it auditable so that American taxpayers know where their money is going and whether it is properly accounted for. It requires DOD to review the establishment of meaningful consequences for success and failure in financial management. The bill also requires the Department to place a higher priority on achieving best value for purchases rather than pushing money out the door to a contractor meeting arbitrary benchmarks for spending.
- **Expanding the Industrial Base:** The NDAA builds our industrial base to enhance competition and gain access to more technology by establishing a program to identify and communicate with non-traditional suppliers and continually review the industrial base. It establishes a requirement for independent legal advice for the Defense Contract Audit Agency and empowers DOD auditors to compel the production of necessary audit documentation by withholding payment to contractors. It also expands the statutory definition of the industrial base to include services and information technology, establishes a Deputy Assistant Secretary of Defense for Manufacturing and Industrial Base Policy, and creates an Industrial Base Fund. Additionally, the bill requires a review by the Director of Small Business Programs to identify and eliminate barriers to contracting with DOD.

## **DEPARTMENT OF ENERGY NONPROLIFERATION PROGRAMS**

The Department of Energy's nonproliferation programs are critical to our national security and must be a top priority, and the President's focus on keeping weapons of mass destruction and related materials out of the hands of terrorists is welcomed by many. This includes the President's efforts to secure vulnerable nuclear materials around the world within four years, the Nuclear Security Summit, the New START Treaty, and other efforts to strengthen nonproliferation programs and activities.

DOE nonproliferation programs should maintain a particular focus on securing weapons of mass destruction and related materials and technologies at the source whenever possible. The bill fully supports the President's goals and objectives for DOE's nonproliferation programs and authorizes the budget request of \$2.7 billion, an increase of \$550.5 million from FY10, for the following programs:

- \$558.8 million for the Global Threat Reduction Initiative, including funding for the President's four-year plan to secure vulnerable nuclear materials that can be used for weapons and to secure vulnerable weapons-usable radiological material.
- \$590.1 million for International Nuclear Materials Protection and Cooperation (MPC&A), including funding to deploy radiation detection equipment and related capabilities at high-threat border crossings to deter, detect, and interdict illicit transfers of materials that could be used in WMDs or a radiological "dirty bomb."
- \$359.6 million for Nonproliferation R&D, including funding for advanced proliferation and nuclear detonation detection technologies.
- \$155.9 million for Nonproliferation and International Security (NIS), including funding to develop innovative approaches to nonproliferation challenges and to undertake activities to increase nonproliferation cooperation with international partners and organizations.
- \$935.2 million for Fissile Materials Disposition (FMD), including funding to dispose of U.S. surplus weapons-grade plutonium using the Mixed Oxide (MOX) Fuel Fabrication Facility, and to dispose of Russia's surplus weapons-grade plutonium.

The bill also includes \$5.6 billion for Department of Energy Defense Environmental Cleanup. This funding will address the critical challenge of cleaning up contaminated sites used for the development and production of nuclear weapons during the Cold War.

## **COOPERATIVE THREAT REDUCTION PROGRAM**

The DOD Cooperative Threat Reduction (CTR) Program is critical to our national security and must be a top priority. The bill fully supports the President's goals and objectives to strengthen the CTR Program. This program should maintain a particular focus on securing weapons of mass



destruction and related materials and technologies at the source wherever possible and use concrete metrics for measuring the effectiveness of CTR activities. The bill fully authorizes the budget request of \$522.5 million, an increase of \$98.4 million from FY10.

### **QUADRENNIAL DEFENSE REVIEW**

The Quadrennial Defense Review (QDR) continues to be redefined to ensure that it is a useful tool to help Congress provide the resources to meet our future national security challenges. This year's NDAA replaces the Independent Review Panel appointed by the Secretary of Defense with a National Defense Panel consisting of ten members, with the Secretary of Defense appointing two panel co-chairs, and the Chairmen and Ranking Members of the House and Senate Armed Services Committees each appointing two members. The Panel would allow for a truly independent review of the QDR and would provide guidance to the Secretary on the conduct of the QDR to ensure that the review adequately addresses all the required elements.

### **QUADRENNIAL ROLES AND MISSIONS REVIEW**

The fight against terrorists has introduced a new type of enemy for our nation that requires our military capabilities and structure to evolve if we are to be successful. The Department must continue to quickly evolve new structures and capabilities to confront the new and emerging challenges we face, particularly with regard to information operations and interrogation and detention. The bill requires the Department to include with the next Quadrennial Roles and Missions Review a report focused on these two areas, paying particular attention to their roles in counter-terrorism operations.

### **RESTRUCTURING THE OFFICE OF THE SECRETARY OF DEFENSE**

To address the lack of clarity within the hierarchy of the Office of the Secretary of Defense (OSD), the bill reorganizes OSD to create a standard hierarchy and remove confusion about roles and relationships. This new hierarchy realigns titles and superior/subordinate relationships to match up with official current responsibilities. The reorganization eliminates most Deputy Undersecretaries of Defense other than the Principal Under Secretaries and designates several new Assistant Secretaries of Defense.

## **GUANTANAMO DETAINEES**

Congress continues to push for the successful prosecution and secure disposition of the terrorist suspects at Guantanamo Bay, and this year's NDAA includes several key provisions to responsibly address these issues. The bill prohibits the release of detainees into the United States and places tough restrictions on transfers of detainees to the U.S. and foreign countries.

- **LIMITATIONS ON TRANSFERS TO THE U.S.:** A complete prohibition on the transfer of detainees to the U.S. could seriously impede our ability to prosecute these individuals and other suspected terrorists, and the President's ability to protect national security in the event of circumstances that require the transfer of these individuals should not be limited. The bill prohibits the transfer of a detainee to the U.S. unless the President submits a comprehensive disposition plan. Congress would then have 45 days to review the disposition plan before it could be carried out.
- **LIMITATIONS ON TRANSFERS TO FOREIGN COUNTRIES:** As recognized by both the current and prior Administrations, in many situations it is more effective to transfer detainees to foreign countries that agree to keep them from returning to terrorist activity. However, an unacceptable number of detainees transferred to foreign countries since 2002 have returned to the fight. It is appropriate to establish strict security criteria to thoroughly vet any foreign country to which a detainee may be transferred. The bill restricts the transfer of a detainee to the custody or effective control of a foreign country until the Secretary of Defense certifies to Congress that the country meets these criteria, and provides Congress with thirty days to review the Secretary's decision.

## **PROHIBITION ON FUNDS TO MODIFY OR CONSTRUCT U.S. FACILITIES FOR DETAINEES**

The construction or modification of any facility in the U.S. to detain or imprison individuals currently being held at Guantanamo must be preceded by a thorough and comprehensive plan that outlines the merits, costs, and risks associated with utilizing such a facility. No such plan has been presented to date. The bill prohibits the use of any defense funds for these purposes. Additionally, the bill requires the Secretary of Defense to present Congress with a report that adequately justifies any proposal to build or modify such a facility in the future.

## **FLAME RESISTANT UNIFORMS**

The bill extends the Department's authority to procure flame resistant rayon fiber for use in combat uniforms. These uniforms have helped saved lives and mitigated burn wounds resulting from IED attacks in Iraq and Afghanistan. At the same time, the bill also ensures that DOD has access to all the latest technology in flame resistant clothing by requiring the Department to allow clothing made from other fibers to compete for these contracts and requires a GAO study on the future availability of flame resistant fibers.

## **IMPROVING DEVELOPMENT EFFORTS IN AFGHANISTAN**

To address bureaucratic confusion and poor planning that has been seen in some efforts in Afghanistan, the bill contains an important provision to improve the coordination and execution of large scale infrastructure projects in Afghanistan. Under this new program, DOD, the State Department, and USAID will be required to plan large scale infrastructure projects together, including the long term sustainment of these projects.

## **ENHANCING THE DEVELOPMENT OF IRAQI AND AFGHAN SECURITY FORCES**

Hopes for a peaceful Iraq and our success in Afghanistan depend in part on strong national security forces that can stand on their own. The bill takes several measures to help ensure that each of these countries has an effective security force in place. It provides \$11.6 billion for the development of the Afghan Security Forces. It also provides \$1.5 billion for the training and equipping of the Iraqi Security Forces, requires that the Iraqi government pay 20 percent of the cost of many types of equipment, and further fences \$500 million of funding until the Secretary of Defense certifies that the Iraqi Security Forces are committed to sustaining and maintaining their forces. The bill also continues for an additional year the authority to provide limited non-excess equipment from U.S. stocks in Iraq and Kuwait to the Iraqi and Afghan Security Forces to enhance their capacity.

## **REPORTS ON IRAQ**

Due to the drawdown of troops in Iraq, our military is now faced with the challenge of the redeployment of the remaining troops and their equipment during the next year. In response to this shift in focus in Iraq, the bill modifies required reports to better focus on redeployment activities and on the development of military capabilities that are necessary for the Government of Iraq to stand on its own. Additionally, there are concerns about the status of nearly 1,000 projects, programs, and activities that will need to be closed or transferred over a short period of time as a result of the drawdown. In response, the bill also requires an initial report identifying these programs, an estimated timeline for completion, and a description of any problems that have been encountered in the process of closing or transferring these programs and steps that have been taken to remedy the problems. Updated information on this subject would be included in reports already required by law.

## **NO PERMANENT BASES IN IRAQ OR AFGHANISTAN**

This year's bill continues the prohibition of the use of funds to build permanent bases in Iraq and Afghanistan.

## **RARE EARTH MATERIALS**

In response to a GAO report identifying our military as dependent upon rare earth materials from overseas, the bill requires the Secretary of Defense to conduct a comprehensive assessment of the supply and demand for rare earth materials in defense applications. The bill also identifies certain rare earth magnets as being critical components of defense systems and requires the Secretary to develop a plan to ensure the long-term availability of these and other critical rare earth materials whose supply can be interrupted by events outside of the control of the U.S. government.

## **RAPID ACQUISITION OF URGENT NEEDS**

Our warfighters depend on us to make sure they have all of the resources they need when they need them. The bill expands and simplifies DOD's rapid acquisition authority and requires the Department to review the rapid acquisition process to ensure that it is meeting warfighter needs and is properly distinguishing between urgent requirements and longer term developments.

## **SUPPLY CHAIN RISK**

The risk of counterfeit parts being used in systems important to our national security continues to be of concern. The bill authorizes the Department to take action to protect the supply chain for national security systems when it has information about a specific vulnerability in the supply chain. The bill also requires a review of the use of the national security exception to competition.

## **MANUFACTURING RISK**

Today's technology often presents new and innovative pieces of equipment that can help our men in women in uniform succeed at their jobs. However, this new technology is often so costly to produce that it is unreasonable to supply the funds for development. This year's bill requires the Department to finalize and implement the use of manufacturing readiness levels in reviewing major defense acquisition programs. Although the Department has previously announced its intention to use manufacturing readiness levels, it has been unable to finalize its guidance. The bill ensures that this guidance will be issued within 180 days after enactment to make sure we are not spending taxpayer dollars on equipment that is impractical to build.

## **DEFENSE ACQUISITION CHALLENGE PROGRAM**

The Defense Acquisition Challenge Program (DACP) has been effective in providing our troops with better equipment at a lower cost. The bill makes the DACP permanent and establishes a

pilot program to expand the use of DACP beyond major defense acquisition programs to capitalize on the success of the program in obtaining savings for taxpayers.

## **INDUSTRIAL SECURITY**

In light of recent leaks of information critical to our national security, it is important that we have safeguards in place to protect classified information held by industry at both domestic- and foreign-owned companies. The bill requires the Secretary of Defense to review whether all contractors holding classified information should be required to have a government security committee on their boards of directors.

## **JOINT REPORT AND GAO REVIEW ON CONTRACTING IN IRAQ AND AFGHANISTAN**

Because GAO, SIGIR, and SIGAR continue to cite a lack of interagency coordination as an impediment to the success of our efforts in Iraq and Afghanistan, Congress continues to push DOD, the State Department, and USAID to strengthen their interagency cooperation on contracting in Iraq and Afghanistan. To strengthen oversight of these concerns, the bill requires the three agencies to submit a joint annual report on matters related to contracting in Iraq and Afghanistan. In addition, the bill requires GAO to conduct an independent review of this joint report and recommend steps the agencies can take to improve sharing of information on contracting in Iraq and Afghanistan.

## **IMPROVING ACCOUNTABILITY AND OVERSIGHT OF CONTRACTORS PERFORMING PRIVATE SECURITY FUNCTIONS**

The use of contractors to perform private security functions in overseas contingency operations continues to be an area of concern. To strengthen oversight of these issues, the bill authorizes the Secretary of Defense and the Secretary of State to extend existing regulations regarding these contractors to new areas without active combat operations. Additionally, the bill will hold contractors responsible for ensuring that all of their employees and their subcontractors' employees comply with regulations regarding personnel who perform private security functions.

## **INTERAGENCY NATIONAL SECURITY KNOWLEDGE AND SKILLS**

The ability of national security professionals to work effectively across departments and agencies is critical to our ability to protect our country. There are concerns about the state of interagency national security knowledge and skills possessed by DOD civilians and uniformed personnel. The bill requires the Secretary of Defense to commission an independent organization to conduct a study on this issue and provide recommendations that can be implemented to improve interagency national security knowledge and skills.