



NATIONAL DEFENSE
AUTHORIZATION ACT

S. 2943 – The National Defense Authorization Act For Fiscal Year 2017

The National Defense Authorization Act (NDAA) for fiscal year 2017 is the primary way Congress meets its most important constitutional obligation to “provide for the common defense.” It advances the vital funding and authorities America’s military requires. This is the Conference Report to H.R. 4909, which passed the House in May with a vote of 277-147 and S. 2943, which passed the Senate in June with a vote of 85-13.

Topline Defense Budget

Last year, Congress and the President recognized that investment in core Department of Defense (DOD) functions would be essential to restoring strength to the military. The NDAA begins making these investments, while also implementing reforms designed to improve the agility of the Armed Services.

The NDAA supports \$619 billion for national defense. In addition to matching the President’s original budget request of \$610 billion, the NDAA also authorizes the **\$5.8 billion supplemental request for operations in Iraq, Afghanistan, and Europe** and a further **\$3.2 billion for Readiness Stabilization Funding**, to stop the drawdown of the military, which is fueling the readiness crisis.

Readiness Stabilization Funding

Budget cuts have slashed training and equipment for forces preparing to deploy, which has created a readiness crisis with fatal consequences. Consistent with the President’s request, the NDAA uses OCO funding to preserve programs critical to readiness, while keeping pace with ongoing operations. Unlike the President’s request, the NDAA:

- ✓ Provides the **full 2.1% pay raise** for our Troops, as required by law
- ✓ **Stops the drawdown and actually increases the end strength** of our Armed Forces
- ✓ **Increases ground and aviation training** to address shortfalls that have contributed to accidents across the Services
- ✓ Provides Operation and Maintenance support for a larger force, including increased **depot maintenance, facilities sustainment** and modernization, and ship maintenance
- ✓ **Replenishes depleted munitions** inventories
- ✓ Begins a turnaround in **ship procurement** with advanced funding for submarines and amphibious ships.

Supporting Ongoing Operations

The NDAA includes several provisions that extend critical authorities for our forces overseas and in harm’s way, especially those fighting terrorism across the globe, ranging from the Islamic State in Iraq and Syria to al Qaeda and its affiliates in Afghanistan. In addition, the legislation:

- ✓ Provides resources to deter further Russian aggression in Europe and enhance U.S. access in the Pacific
- ✓ Buys back critical U.S. missile defense capabilities and fully funds Israel’s missile defense requirements
- ✓ Preserves key warfighting capabilities and ensures our Armed Forces are ready and capable to meet current threats, while preparing for future challenges.

Selective Service

Women will not be required to register with Selective Service. Consistent with the House bill, GAO will study the Selective Service, examining its utility and future use.

Strengthening Military Health Care

The NDAA improves access to quality care for warfighters, retirees, and their families, while enhancing medical readiness. Reforms ensure that the generous benefits our troops deserve and have earned are sustainable for generations to come. These reforms:

- ✓ **Make no changes to out-of-pocket costs for current force or retirees**
- ✓ Provide two comprehensive TRICARE options for servicemembers, their families & retirees: managed care option and no-referral network option
- ✓ Eliminate referrals for urgent care and ensure urgent care access for military families
- ✓ Extend care at Military Treatment Facilities (MTF) primary care clinics beyond normal business hours
- ✓ Expand public-private partnerships to increase and complement MTF services provided to beneficiaries
- ✓ Enable retirees to purchase durable medical equipment at the DOD cost
- ✓ Standardize appointment scheduling and first-call resolution when contacting MTF clinics
- ✓ Increase the number of available appointments at MTFs.

Basic Allowance for Housing (BAH)

No changes to housing allowance, including for dual military families

Commissaries

Reforms the system to preserve the benefit, while also making improvements to ensure continued savings for shoppers, a good value for taxpayers, and ongoing support for morale, welfare, and recreational activities.

- ✓ Reforms include robust and regular congressional oversight of improvements
- ✓ Injects commonsense, private sector know-how including variable pricing & the development of private label products.

Acquisition Reform

Building on last year's reforms, the FY 17 NDAA seeks to get better technology into the hands of the warfighter faster and more efficiently. These reforms:

- ✓ Require weapon systems to be designed with open architectures for easy upgrades as technology and threats evolve
- ✓ Provide flexible funding to experiment with new technology, while simplifying the process and expanding the avenues of competition for suppliers of all sizes
- ✓ Promote experimentation and prototyping, not only to field capability, but to learn and develop new operational concepts.

Uniform Code of Military Justice (UCMJ)

In response to congressional requests, the FY 17 NDAA makes the first major reforms to the UCMJ in 30 years. It:

- ✓ Modernizes the UCMJ to improve efficiency and transparency, while also enhancing victims' rights
- ✓ Expands the statute of limitations for child abuse offenses and fraudulent enlistment
- ✓ Establishes new offenses ranging from improper use of government computers to retaliation to prohibited activities with military recruits and trainees by a person in a position of special trust.

California National Guard

Too many of our troops have been drug through a lengthy and arbitrary recoupment process after unwittingly being caught up in a scandal involving the inappropriate issuing of bonuses at the California National Guard. The NDAA provides relief for these Guardsmen by directing a process for the fair adjudication of cases. Unlike current policy, the Department will be responsible for reaching out to each impacted Soldier and notifying credit reporting agencies when a Soldier's debts have been forgiven.

Organizational Reform of DoD (Goldwater Nichols)

As security threats become more complex and more diverse, the NDAA reforms the organizational structure of the U.S. military to increase accountability, oversight, integration, and strategic thinking. The report:

- ✓ Reforms preserve civilian control of the military and the role of the Chairman of the Joint Chiefs of Staff as the principal, independent military advisor to the President and Secretary of Defense
- ✓ Reform AT&L by separating research and engineering from acquisition to increase focus on technology and innovation and to better deliver superior capabilities for the Armed Forces.

Reforming the National Security Council (NSC)

In recent years, the NSC has been repeatedly criticized for micromanagement. It has evolved from an advisory and coordinating body to a large, operational bureaucracy with no oversight or accountability. The NDAA restores the NSC to its original purpose by capping its staff at 200 people.

GTMO

Maintains the status quo on prohibition on the closure of the facility and the transfer of detainees to the U.S.

TABLE 1: FY17 NDAA FUNDING LEVELS

Purpose	Amount (in billions)
DOD Discretionary Base Budget	\$523.7
DOE Discretionary Base Budget	\$19.4
Defense-Related Activities	\$0.3
FY17 Base Budget NDAA Topline	\$543.4
Overseas Contingency Operations for Base Requirements	\$8.3
FY17 Funded Base Budget Requirements	\$551.7
Overseas Contingency Operations	\$59.5
FY17 Discretionary NDAA Topline	\$611.2
Authorizations Not Within HASC Jurisdiction	\$7.8
FY17 National Defense Topline	\$619