



Legislative Bulletin.....May 20, 2014

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H.R. 4435 – Howard P. “Buck” McKeon National Defense Authorization Act for Fiscal Year 2015

**H.R. 4435 – Howard P. “Buck” McKeon National Defense Authorization Act
for Fiscal Year 2015
(McKeon, R-CA)**

Order of Business: The bill is scheduled to be considered on Tuesday, May 20, 2014, under rule ([H. Res. 585](#)) that provides one hour of general debate equally divided and controlled by the Chairman and Ranking Member of the House Armed Services Committee as well as one motion to recommit with or without instructions. The House Rules Committee will consider a separate rule tomorrow concerning the 320 amendments filed for consideration on the bill.

A separate Legislative Bulletin summarizing amendments ruled in order and any Key Vote Alerts will be forthcoming.

Summary: H.R. 4435 (NDAA) authorizes \$521.3 billion in spending for national defense and an additional \$79.4 billion for Overseas Contingency Operations (OCO). This is consistent with the President’s budget and the Bipartisan Budget Act of 2013. The bill is \$45 billion less than in the President’s projected Fiscal Year 2014 budget request and \$30.7 billion less than the enacted Fiscal Year 2014 NDAA (Public Law 113-66).

Highlights of the major provisions of note are included below:

-Military Personnel Issues

- **Troop Pay:** The bill supports current law which mandates an automatic 1.8 percent annual increase in troop pay. The bill also allows the President to retain his executive authority to make reductions to this pay rate without congressional authorization. The NDAA does uphold the President’s request, endorsed by senior military leadership, for a pay freeze for General and Flag Officers for FY2015.
- **TRICARE:** This year’s NDAA rejects compensation cuts to TRICARE, Housing Allowances, and Commissary benefits. In the Fiscal Year 2013 NDAA, a [commission on military compensation](#) was established to find ways to reform the Department of

Defense's compensation system and to report its findings back to Congress. Members on both sides of the aisle have been reluctant to make any premature or piecemeal reforms until the commission provides its report to the Committee.

- **Combatting Sexual Assault in the Military:** The FY2015 NDAA would eliminate the “good soldier defense”, a consideration of general military character toward the probability of innocence in sexual assault prosecutions. The bill would also call for a review of the terms of discharge for victims of sexual offenses, to ensure that they have not been persecuted for reporting crimes. Victims would also be consulted as to their preference for prosecuting offenders by court-martial or through civilian channels. *The House Armed Services Committee Report ([113-446, page 3](#)) states that the “bill would continue to refine the Department of Defense Sexual Assault Prevention and Response program, while at the same time requiring continued monitoring of the Department’s implementation of the significant reforms enacted by Congress over the past 2 years.”*
- **Commissaries:** This year’s NDAA requires the Department of Defense to consult with outside experts in retail grocery sales to find efficiencies in the commissary system, while rejecting any cuts that would increase out of pocket costs for military families.
- **Military Suicide:** The FY2015 NDAA authorizes a total of \$45.3 million dollars towards behavioral and psychological health programs and efforts specifically for Special Operations Forces. The bill increases funding for the US Special Operations Command (USSOCOM) Behavioral Health and Warrior Care Management Program from \$14.8 million to \$38.1 million, and immediately increases the number of embedded behavioral health care providers including psychologists, social workers, nurse case managers, and operational psychologists. The USSOCOM Psychological Performance Program will be fully funded at the \$7.2 million requested level.
- **National Guard:** The bill would commission the Government Accountability Office (GAO) to study the appropriate balance between the Active force and the Guard. National Guard end strength reductions, as well as the re-distribution of important Guard aviation assets are prohibited for FY2015. However the Committee has indicated that unless funding levels change, Active and Guard force structure will both be impacted greatly in FY2016.
- **Religious Liberties:** In section 525, the bill add certain protections to military chaplains by authorizing them, if called upon to lead a prayer outside of a religious service, to close the prayer according to the traditions, expressions, and religious exercises of the endorsing faith group.

-Military Readiness Issues:

- **Operations and Maintenance:** The FY2015 NDAA would address critical readiness gaps associated with depot maintenance, flying hour programs and base operations support caused by sequestration and repeated resource cuts. These are achieved by

diverting funds from lower priority items, like reductions of 5 percent in select accounts, saving over \$800 million for higher priority programs. The currency exchange account serves as a buffer to protect the Department of Defense (DOD) from currency fluctuations as our military makes purchases around the world. While favorable exchange rates have allowed the Department to accrue substantial amounts in this account, the President's budget continues to augment the funds despite Congressional concern. The NDAA redirects \$427.2 million from this account to other priorities. In total, changes to services contracts and the currency exchange account make up more than \$1.2 billion of the \$1.4 billion in changes to Operation and Maintenance funding. (c.f. Table II: Savings Achieved and Resources Added on page 8).

- **BRAC:** The bill prohibits the Department of Defense from proposing, planning, or initiating any additional Base Realignment and Closure (BRAC) rounds. However, the bill does require the Department to report on several BRAC related topics, including a report on excess capacity, a report on the property disposal process, and assessment of each prior BRAC round.
- **Proximity Encroachment:** The bill requires a Department of Defense study that looks at gaps and vulnerabilities in the interagency process for public property estate transactions, due to concerns that foreign-controlled entities may be acquiring property near critical military assets, installations, and training facilities with the intent to monitor our activities. GAO (Government Accountability Office) is tasked to provide a sufficiency review of the DOD study.
- **Cyber security:** The NDAA mandates that the Secretary of the Air Force, in coordination with the Director of the National Security Agency provide a report on the aggregate Air Force investment in cyber, laying out where the various elements of Air Force cyber are nested, and how those elements are integrated within the overall Air Force and Department of Defense cyber enterprises.

-Procurement:

- **Ship Procurement and Retention:** The FY2015 NDAA funds the refueling complex overhaul (RCOH) of the U.S.S. *George Washington* (CVN-73) and provides incremental funding for a new *San Antonio* Class Amphibious Ship (LPD-28). The bill would also limit FY2015 funding for the procurement of additional mission modules for the Littoral Combat Ship until the Secretary of the Navy submits milestone B program goals for cost, schedule, and performance for each mission module increment.
- **Weapon Systems:** The FY2015 NDAA would:
 - Purchase limited numbers of the EA-18G Growler,
 - Preserve the [A-10](#),
 - Prohibit the divestment of more than four E-3 AWACS (Airborne Warning and Control System),
 - Prohibit the retirement of the U-2 and KC-10 aircrafts, and
 - Fund the procurement of additional MQ-9 Reapers.

This year's NDAA would also prohibit the cancellation of the C-130 Avionics Modernization Program (AMP), and would require the GAO to submit a report on the F-35 acquisition program which would include information on cost, schedule and performance goals.

-Defense Policy and Strategic Issues:

➤ **Department of Defense Reform:**

- **Institutional Reform:** The NDAA preserves the Office of Net Assessment (ONA) as an independent organization within the Department of Defense, with the Office reporting directly to the Secretary of Defense. The bill increases the ONA budget for FY2015 by \$10 million to \$18.9 million. The Secretary of Defense is directed to report on combining combatant command back office functions to achieve greater efficiencies and cost savings. The GAO is also mandated to assess the Department's headquarter reduction efforts.
- **Acquisition Reform:** The NDAA encourages the Secretary of Defense to improve data collection for services contracting and would also mandate a GAO report on opportunities to improve services contract processes. In doing so, the Director of Operational Test and Evaluation (DOT&E) is now directed to consider the potential for increase in program cost estimates or delays in schedule estimates in the implementation of policies, procedures, and activities related to operational test and evaluation.
- **Information Security Reform:** The bill directs the Secretary of Defense to provide the committee with frequent reports on its damage assessment resulting from unauthorized disclosures and steps the Department is taking to mitigate the damage caused by the disclosure of classified information.
- **Installation Security:** In light of the tragic shooting at the Washington Navy Yard, the NDAA would require the Secretary of Defense to provide a briefing to the House Armed Services Committee on Defense Installation Access Controls Joint Capability Technology Demonstration, the frequency of installation anti-terrorism plans, trends or identified shortfalls in equipment, personnel, training, or infrastructure that directly support the physical security of military facilities, any changes that may be necessary to the physical security and anti-terrorism/force protection policies and procedures for vehicles and personnel entering military installations, and any authority gaps that may require legislation to strengthen the physical security of military installations and facilities.
- **Quadrennial Defense Review:** This year's Quadrennial Defense Review (QFR) was deemed unsatisfactory by the House Armed Services Committee as it focused largely on the near-term and assumed increased risk to the force. Therefore, the

NDAA would restrict 25 percent of Office of the Secretary of Defense (OSD) Policy funding until a revised QDR is submitted.

A new **Defense Strategy Review** will require tradeoff analyses between missions, risks, and resources, to better inform decisions on the longer-term direction of the Nation's forces, their missions and capabilities, and needed resources.

The NDAA also redefines the role of the independent **National Defense Panel** and would require a separate **Quadrennial Threats and Trends Report** to better inform the Review process.

- **Afghanistan:** The FY2015 NDAA supports **Operation Resolute Support**, the NATO led train, advise and assist mission in Afghanistan that would begin after the end of 2014. In doing so, the NDAA would support a sufficient number of forces to assist Afghan National Security Forces (ANSF). The bill would also strongly support the fulfillment of a Bilateral Security Agreement between the United States and Afghanistan. In doing so, NATO forces would be better equipped to assist Afghanistan in counternarcotics missions and in counterterrorism missions.

This year's NDAA includes provisions that would:

- Establish the "1230 Report" on Progress Toward Security and Stability in Afghanistan for the post-2014 environment.
- Extend the Commander's Emergency Response Program (CERP) in Afghanistan,
- Require a plan for monitoring DOD funded construction activities in Afghanistan post-2014,
- Require a report on the financial management capacity of the Afghan ministries of Defense and Interior, and
- Require the Secretary of Defense to submit an ANSF sustainment plan through the end of Fiscal Year 2018.

The NDAA would also address the issue of illegal taxes assessed by Afghanistan on foreign assistance projects and activities, by withholding DOD assistance to Afghanistan in an amount equal to 150 percent of the taxes assessed.

In light of declining resources, many enduring requirements, like equipment retrograde and reset and other missions beyond the Afghanistan operation, continue to be funded through the Overseas Contingency Operations (OCO) account. To address this, the NDAA mandates a report on enduring requirements currently funded through OCO.

- **Ukraine, Russia, and Europe:** The NDAA prohibits U.S. military contact and cooperation with the Russian military until the Secretary of Defense certifies the Russian military is no longer illegally occupying Crimea, no longer acting inconsistently with the Intermediate-range Nuclear Force (INF) treaty, and is in compliance with the Conventional Armed Forces in Europe (CFE) treaty. The National Nuclear Security Administration (NNSA) is barred from transferring technology with Russia until the Secretary of Energy makes the same certifications. The NDAA proposes language that

will also safeguard U.S. national security from Russian Federation proposals to misuse the Treaty on Open Skies in ways that create substantial risk for the United States and its allies in Europe.

The bill would also strengthen the United States' commitment to the North Atlantic Treaty Organization (NATO) by not only condemning Russian aggression towards Ukraine, but by requiring the Secretary of Defense to develop a plan to provide assistance to European and Eurasian militaries for the purpose of enhancing their defensive capabilities and posture. In doing so, the NDAA increases the budget for the DOD's Warsaw Initiative Fund/Partnership for Peace (WIF/PfP) program from \$24.4 million to \$34.4 million to enable U.S. European Command, through military exercises and defense reform efforts, to build the capacity of PfP militaries in order to promote regional stability and to deter Russian aggression.

The Bill would also cut all funding for the DOD Cooperative Threat Reduction program and NNSA's nonproliferation activities with the Russian Federation.

- **Asia Rebalance:** The House Armed Services Committee conducted an oversight series led by Seapower Subcommittee Chairman Forbes (R-VA) and *Rep. Hanabusa* (D-HI) on the Asia-Pacific rebalance. The NDAA expresses concern about U.S. posture and presence in the Asia-Pacific region and the United States' ability to deter aggression and reassure allies. The bill would also require the Secretary of Defense, in coordination with the Secretary of State and the heads of other Federal departments and agencies, to develop a strategy to prioritize United States interests in the U.S. Pacific Command's area of responsibility. The NDAA also mandates the Secretary of Defense to submit a report on the strategic and regional implications of China's sea-based nuclear deterrent force; China's command, control, and communications system for such force; the implications for the U.S. and its allies of the emergence of a Chinese sea-based nuclear force.
- **Middle East:** The NDAA expresses concern that many strategic bases are funded through Overseas Contingency Operations funding and not supported by status of forces agreements (SOFA), and therefore urges the President to shift to an enduring posture in the Middle East and seek SOFA agreements with Gulf Cooperation Council (GCC) member nations.
 - **Israel:** The FY2015 NDAA invests in vital systems like the Iron Dome air defense system and provides significant resources above the President's request for other Israeli Cooperative Missile Defense programs.
 - **Egypt:** The bill supports the President's decision to deliver ten Apache helicopters to Egypt for counterterrorism operations.
 - **Syria:** The NDAA expresses concern regarding the influx of foreign fighters in Syria, and the growth of Al Qaeda-linked or Al Qaeda-inspired elements. The bill

supports “prudent planning” to strengthen regional allies impacted by the Syria conflict.

- **Iran:** The NDAA expresses the belief that American presence in the Arabian Gulf is vital to deterring Iranian aggression in the region. The bill also requires a report on the interim agreement related to the Islamic Republic of Iran’s nuclear program, including a verification of whether Iran is complying with such agreement and an assessment of the overall state of Iran’s nuclear program.
- **Counterterrorism:** The bill requires a report on the strategy to continue to deny safe havens to al Qaeda and its violent extremist affiliates given the increase in instability in certain locations such as the Syrian Arab Republic, the Republic of Iraq, and Libya.

The NDAA prohibits the transfer of detainees to the United States from **Guantanamo Bay Detention Facility**, and the construction of terrorist detention facilities in the United States.

The bill would also prohibit the expenditure of 25 percent of funds for the Assistant Secretary for Special Operations and Low Intensity Conflict (ASD SOLIC) until reporting requirements are completed under the Oversight of Sensitive Military Operations Act (OSMOA).

- **Africa:** The bill requires a report on the “new normal” and general mission requirements for United States Africa Command (AFRICOM), as well as a report on the readiness implications of the Army’s Regionally Aligned Brigade concept in Africa. In section 1261, the bill identifies concerns that AFRICOM does not have sufficient assigned military forces; intelligence, surveillance, and reconnaissance assets; crisis response forces; and enablers to meet the “New Normal” requirements, set in place after the September 11, 2012 terrorist attacks in Benghazi, Libya.
- Authorizations for End Strengths as of September 30, 2015 (from the House Armed Services Committee Report):
 - *Active Duty Personnel:* 490,000 (Army), 323,600 (Navy), 184,100 (Marine Corps), 311,220 (Air Force). These levels represent a decrease of 53,100 servicemembers from the previous year’s authorization.
 - *Reserves on Active Duty:* 350,200 (Army National Guard), 202,000 (Army Reserve), 57,300 (Navy Reserve), 39,200 (Marine Corps Reserve), 105,000 (Air National Guard), 67,100 (Air Force Reserve). These levels represent a decrease of 12,900 servicemembers from the previous year’s authorization.
 - *Military Technicians:* 27,210 (Army National Guard), 7,895 (Army Reserve), 21,792 (Air National Guard), 9,789 (Air Force Reserve). These levels represent a decrease of 1,223 from the previous year’s authorization.

- Authorization Levels (charts provided by the House Armed Services Committee Report begin on the following page)
- Table II: Savings Achieved and Resources Added provided by the House Armed Services Committee Fact Sheet)

TABLE II: Savings Achieved And Resources Restored Or Added

Savings Achieved	Resources Added
Littoral Combat Ship - \$350 million	CVN - 73 Refuel - \$796.2 million
DOE Uranium Enrichment Fund - \$463 million	Readiness Programs - \$1.3 billion
Unobligated Balance Program - \$2.2 billion	Abrams Tank Upgrades - \$120 million
KC 146 A (from 7 to 6) - \$226.1 million	Hercules Vehicle - \$72 million
Currency Exchange Account - \$427.2 million	Stryker Vehicle - \$76 million
Warfighter Information Network-Tactical - \$125 million	Body Armor - \$80 million
Joint Tactical Radio System - \$50 million	Amphibious Combat Vehicle - \$85.1 million
Joint IED Defeat Organization - \$49.5 million *	EA-18 G - \$450 million (5 aircraft)
DDG-1000 - \$54 million	Medium and Heavy Tactical Vehicles - \$100 million
Moored Training Ship - \$220 million	Grey Eagle Program - \$49 million
Civilian Personnel Under Execution - \$315 million	Tomahawk Missiles - \$82 million (96 missiles)
Indirect Fire Protection Cap - \$25 million	C-130 Programs - \$88.4 million
B2 Research and Development - \$29.4 million	Ejection Seat Improvements - \$10.5 million
Marine Corps Museum - \$9.1 million	Additional Competition Launch - \$135 million
BRAC Planning and Analysis - \$4.8 million	RD-180 Replacement - \$220 million
Military Construction - \$24.6 million	Israeli Cooperative Missile Defense- \$348 million
Service Contracts- Facilities - \$419 million	Global Threat Reduction Initiative - \$80 million
Service Contracts - Other - \$398.5 million	Defense Nuclear Non-Proliferation R&D - \$70 million
UCLASS - \$203 million	MQ-9 Reapers - \$120 million
JPALS - \$27 million	NNSA Weapons Account - \$147.7 million
Implementation of rejected benefit reforms - \$88 million	LPD 28 - \$800 million
Office of Economic Adjustment - \$80.6 million	CPI -1 adjustment - \$534.9 million
Counterfire Radars - \$50 million	Commissaries - \$100 million
IFPC 2- \$25 million	Military Health System Modernization - \$92 million
CMWS - \$47 million	Ballistic Missile Defense - \$53 million
C-5M - \$50 million	AGOR Ships - \$20 million
Various early to need requests - \$256 million	Triton Sensor Development - \$32.4 million
Global Security Contingency Fund - \$30 million	East Coast Missile Defense MilCon - \$20 million
NNSA Administrative Salaries and Expenses - \$24 million	AWACS - \$39.6 million
International Material Protection & Cooperation - \$176.4 million	A-10 - \$635 million **

* Savings from JIEDDO were applied to other force protection measures.

** Funds taken from OCO, rather than the base budget.

(Table courtesy of the House Armed Services Committee)

SUMMARY OF NATIONAL DEFENSE AUTHORIZATIONS FOR FISCAL YEAR 2015

(In Thousands of Dollars)

	FY 2015 Request	House Change	House Authorized
DISCRETIONARY AUTHORIZATIONS WITHIN THE JURISDICTION OF THE ARMED SERVICES COMMITTEE			
National Defense Funding, Base Budget Request			
Function 051, Department of Defense-Military			
Division A: Department of Defense Authorizations			
Title I—Procurement			
Aircraft Procurement, Army	5,102,685	147,400	5,250,085
Missile Procurement, Army	1,017,483		1,017,483
Weapons & Tracked Combat Vehicles, Army	1,471,438	230,298	1,701,736
Procurement of Ammunition, Army	1,031,477	-23,400	1,008,077
Other Procurement, Army	4,893,634	-192,400	4,701,234
Joint Improvised Explosive Device Defeat Fund	115,058	-115,058	0
Aircraft Procurement, Navy	13,074,317	411,600	13,485,917
Weapons Procurement, Navy	3,217,945	63,000	3,280,945
Procurement of Ammunition, Navy & Marine Corps	771,945		771,945
Shipbuilding & Conversion, Navy	14,400,625	659,600	15,060,225
Other Procurement, Navy	5,975,828	222,300	6,198,128
Procurement, Marine Corps	983,352	-25,100	958,252
Aircraft Procurement, Air Force	11,542,571	-122,671	11,419,900
Missile Procurement, Air Force	4,690,506	132,000	4,822,506
Procurement of Ammunition, Air Force	677,400		677,400
Other Procurement, Air Force	16,566,018	-64,000	16,502,018
Procurement, Defense-Wide	4,221,437	172,100	4,393,537
Joint Urgent Operational Needs Fund	20,000	-20,000	0
Prior Year Rescissions	-265,685	265,685	0
Undistributed General Provisions	0	-265,685	-265,685
Subtotal, Title I—Procurement	89,508,034	1,475,669	90,983,703
Title II—Research, Development, Test and Evaluation			
Research, Development, Test & Evaluation, Army	6,593,898	-13,896	6,580,002
Research, Development, Test & Evaluation, Navy	16,266,335	-82,500	16,183,835
Research, Development, Test & Evaluation, Air Force	23,739,892	125,500	23,865,392
Research, Development, Test & Evaluation, Defense-Wide	16,766,084	223,348	16,989,432
Operational Test & Evaluation, Defense	167,738	5,000	172,738
Subtotal, Title II—Research, Development, Test and Evaluation	63,533,947	257,452	63,791,399
Title III—Operation and Maintenance			
Operation & Maintenance, Army	33,240,148	-369,100	32,871,048
Operation & Maintenance, Army Reserve	2,490,569	11,300	2,501,869
Operation & Maintenance, Army National Guard	6,030,773	182,800	6,213,573

SUMMARY OF NATIONAL DEFENSE AUTHORIZATIONS FOR FISCAL YEAR 2015—Continued

(In Thousands of Dollars)

	FY 2015 Request	House Change	House Authorized
Operation & Maintenance, Navy	39,025,857	-143,052	38,882,805
Operation & Maintenance, Marine Corps	5,909,487	-56,700	5,852,787
Operation & Maintenance, Navy Reserve	1,007,100	-2,800	1,004,300
Operation & Maintenance, Marine Corps Reserve	268,582	-2,600	265,982
Operation & Maintenance, Air Force	35,331,193	-180,129	35,151,064
Operation & Maintenance, Air Force Reserve	3,015,842	-16,900	2,998,942
Operation & Maintenance, Air National Guard	6,392,859	-19,800	6,373,059
Operation & Maintenance, Defense-Wide	31,198,232	-550,096	30,648,136
US Court of Appeals for the Armed Forces, Defense	13,723		13,723
Overseas Humanitarian, Disaster and Civic Aid	100,000	4,500	104,500
Cooperative Threat Reduction	365,108	-10,500	354,608
Defense Acquisition Development Workforce Fund	212,875	-3,500	209,375
Environmental Restoration, Army	201,560		201,560
Environmental Restoration, Navy	277,294		277,294
Environmental Restoration, Air Force	408,716		408,716
Environmental Restoration, Defense	8,547		8,547
Environmental Restoration, Formerly Used Sites	208,353		208,353
Overseas Contingency Operations Transfer Fund	5,000	-5,000	0
Support Of International Sporting Competitions, Defense	10,000	-4,800	5,200
Subtotal, Title III—Operation and Maintenance	165,721,818	-1,166,377	164,555,441
Title IV—Military Personnel			
Military Personnel Appropriations	128,957,593	49,430	129,007,023
Medicare-Eligible Retiree Health Fund Contributions	6,236,092	1,000	6,237,092
Subtotal, Title IV—Military Personnel	135,193,685	50,430	135,244,115
Title XIV—Other Authorizations			
Working Capital Fund, Army	13,727		13,727
Working Capital Fund, Air Force	61,717		61,717
Working Capital Fund, Defense-Wide	44,293		44,293
Working Capital Fund, DECA	1,114,731	100,000	1,214,731
Chemical Agents & Munitions Destruction	828,868		828,868
Drug Interdiction and Counter Drug Activities	820,687		820,687
Office of the Inspector General	311,830		311,830
Defense Health Program	31,833,061	-387,400	31,445,661
Subtotal, Title XIV—Other Authorizations	35,028,914	-287,400	34,741,514
Total, Division A: Department of Defense Authorizations ...	488,986,398	329,774	489,316,172
Division B: Military Construction Authorizations			
Military Construction			
Army	539,427	203,000	742,427
Navy	1,018,772	-20,000	998,772
Air Force	811,774		811,774
Defense-Wide	2,061,890	-29,000	2,032,890
Chemical Demilitarization Construction, Defense	38,715		38,715
NATO Security Investment Program	199,700		199,700
Army National Guard	126,920	34,800	161,720

SUMMARY OF NATIONAL DEFENSE AUTHORIZATIONS FOR FISCAL YEAR 2015—Continued

(In Thousands of Dollars)

	FY 2015 Request	House Change	House Authorized
Army Reserve	103,946	60,300	164,246
Navy and Marine Corps Reserve	51,528		51,528
Air National Guard	94,663		94,663
Air Force Reserve	49,492		49,492
Subtotal, Military Construction	5,096,827	249,100	5,345,927
Family Housing			
Construction, Army	78,609		78,609
Operation & Maintenance, Army	350,976		350,976
Construction, Navy and Marine Corps	16,412		16,412
Operation & Maintenance, Navy and Marine Corps	354,029		354,029
Operation & Maintenance, Air Force	327,747		327,747
Operation & Maintenance, Defense-Wide	61,100		61,100
Family Housing Improvement Fund	1,662		1,662
Subtotal, Family Housing	1,190,535		1,190,535
Base Realignment and Closure			
Base Realignment and Closure—Army	84,417		84,417
Base Realignment and Closure—Navy	94,692		94,692
Base Realignment and Closure—Air Force	90,976		90,976
Subtotal, Base Realignment and Closure	270,085		270,085
Undistributed Adjustments			
Prior Year Savings	0	-204,577	-204,577
General Reductions	0	-69,000	-69,000
Subtotal, Undistributed Adjustments	0	-273,577	-273,577
Total, Division B: Military Construction Authorizations	6,557,447	-24,477	6,532,970
Total, 051, Department of Defense—Military	495,543,845	305,297	495,849,142
Function 053, Atomic Energy Defense Activities			
Division C: Department of Energy National Security Authorization and Other Authorizations			
Environmental and Other Defense Activities			
Nuclear Energy	104,000	0	104,000
Weapons Activities	8,314,902	147,700	8,462,602
Defense Nuclear Nonproliferation	1,555,156	10,000	1,565,156
Naval Reactors	1,377,100	10,000	1,387,100
Office of the Administrator	410,842	-24,000	386,842
Defense Environmental Cleanup	5,327,538	-457,000	4,870,538
Other Defense Activities	753,000	5,300	758,300
Subtotal, Environmental and Other Defense Activities	17,842,538	-308,000	17,534,538
Independent Federal Agency Authorization			
Defense Nuclear Facilities Safety Board	30,150		30,150
Subtotal, Independent Federal Agency Authorization	30,150		30,150

SUMMARY OF NATIONAL DEFENSE AUTHORIZATIONS FOR FISCAL YEAR 2015—Continued

(In Thousands of Dollars)

	FY 2015 Request	House Change	House Authorized
Subtotal, Division C: Department of Energy National Security Authorization and Other Authorizations	17,872,688	-308,000	17,564,688
Subtotal, 053, Atomic Energy Defense Activities	17,872,688	-308,000	17,564,688
Total, National Defense Funding, Base Budget Request	513,416,533	-2,703	513,413,830
National Defense Funding, OCO Budget Request	79,445,000		79,445,000
Total, National Defense	592,861,533	-2,703	592,858,830
MEMORANDUM: NON-DEFENSE AUTHORIZATIONS			
Title XIV—Armed Forces Retirement Home (Function 600) ...	63,400		63,400
Title XIV—Cemeterial Expenses, Army (Function 700)	45,800	16,081	61,881
Title XXXIV—Naval Petroleum and Oil Shale Reserves (Function 270)	19,950		19,950
Title XXXV—Maritime Administration (Function 400)	148,400		148,400
MEMORANDUM: TRANSFER AUTHORITIES (NON-ADD)			
Title X—General Transfer Authority	[5,000,000]		[4,000,000]
Title XV—Special Transfer Authority			[3,000,000]
MEMORANDUM: DEFENSE AUTHORIZATIONS NOT UNDER THE JURISDICTION OF THE ARMED SERVICES COMMITTEE (NON-ADD)			
Defense Production Act	21,638		21,638

NATIONAL DEFENSE BUDGET AUTHORITY IMPLICATION

(In Thousands of Dollars)

	FY 2015 Request	House Change	House Authorized
Summary, Discretionary Authorizations Within the Jurisdiction of the Armed Services Committee			
SUBTOTAL, DEPARTMENT OF DEFENSE (051)	495,543,845	305,297	495,849,142
SUBTOTAL, ATOMIC ENERGY DEFENSE PROGRAMS (053)	17,872,688	-308,000	17,564,688
TOTAL, NATIONAL DEFENSE (050)—BASE BILL	513,416,533	-2,703	513,413,830
TOTAL, OVERSEAS CONTINGENCY OPERATIONS	79,445,000		79,445,000
GRAND TOTAL, NATIONAL DEFENSE	592,861,533	-2,703	592,858,830
 Base National Defense Discretionary Programs that are Not In the Jurisdiction of the Armed Services Committee or Do Not Require Additional Authorization			
Defense Production Act Purchases	22,000		22,000
Indefinite Account: Disposal Of DOD Real Property	8,000		8,000
Indefinite Account: Lease Of DOD Real Property	31,000		31,000
Subtotal, Budget Sub-Function 051	61,000		61,000
 Formerly Utilized Sites Remedial Action Program	 100,000		 100,000
Subtotal, Budget Sub-Function 053	100,000		100,000
 Other Discretionary Programs	 7,681,000		 7,681,000
Subtotal, Budget Sub-Function 054	7,681,000		7,681,000
Total Defense Discretionary Adjustments (050)	7,842,000		7,842,000
 Budget Authority Implication, National Defense Discretionary			
Department of Defense--Military (051)	575,049,845	305,297	575,355,142
Atomic Energy Defense Activities (053)	17,972,688	-308,000	17,664,688
Defense-Related Activities (054)	7,681,000		7,681,000
Total BA Implication, National Defense Discretionary	600,703,533	-2,703	600,700,830
 National Defense Mandatory Programs, Current Law (CBO Estimates)			
Concurrent receipt accrual payments to the Military Retirement			
Fund	7,071,000		7,071,000
Revolving, trust and other DOD Mandatory	1,169,000		1,169,000
Offsetting receipts	-1,591,000		-1,591,000
Subtotal, Budget Sub-Function 051	6,649,000		6,649,000
Energy employees occupational illness compensation programs and other	1,197,000		1,197,000
Subtotal, Budget Sub-Function 053	1,197,000		1,197,000
Radiation exposure compensation trust fund	59,000		59,000
Payment to CIA retirement fund and other	514,000		514,000
Subtotal, Budget Sub-Function 054	573,000		573,000
Total National Defense Mandatory (050)	8,419,000		8,419,000
 Budget Authority Implication, National Defense Discretionary and Mandatory			
Department of Defense--Military (051)	581,698,845	305,209	582,004,054
Atomic Energy Defense Activities (053)	19,169,688	-308,000	18,861,688
Defense-Related Activities (054)	8,254,000		8,254,000
Total BA Implication, National Defense Discretionary and Man- datory	609,122,533	-2,791	609,119,742

Additional Information: The National Defense Authorization has been signed into law for fifty-two consecutive years.

Committee Action: On April 9th, 2014, the House Armed Services Committee Chairman Howard P. “Buck” McKeon (R-CA) introduced H.R. 4435. The bill was referred to the relevant subcommittees on April 28, 2014, and was subsequently marked-up on April 30, and May 1st. The full Committee met to consider and mark-up H.R. 4435 on May 7, 2014, and on May 8, 2014, marked up the amended bill and reported it out favorably by a vote of 61-0.

Administration Position: The Obama Administration released a [Statement of Administration Policy](#) on Monday, May 19, 2014, indicating that although the Administration supports a number of provisions in the bill, the President’s senior advisors would recommend to the President that he veto the bill in its current form.

Cost to Taxpayers: The Congressional Budget Office (CBO) released a [full estimate](#) for H.R. 4435 on May 16th, 2014, stating that the bill would result in outlays of \$581 billion over the 2015-2019 period.

Does the Bill Expand the Size and Scope of the Federal Government?: The bill authorizes defense spending at levels of the House-passed FY2015 budget, the Republican Study Committee budget, and reflects the Bipartisan Budget Act of 2013 agreement last year. The bill is \$30.7 billion less than the enacted Fiscal Year 2014 NDAA (Public Law 113-66).

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?: According to CBO, the bill would impose an intergovernmental mandate as defined in the Unfunded Mandates Reform Act (UMRA) by preempting state laws governing child custody in some cases. Although the mandate would limit the application of state laws, it would impose no duty on states that would result in additional spending. Therefore, CBO estimates that the cost of the mandate would fall well below the threshold established in UMRA for intergovernmental mandates (\$76 million in 2014, adjusted annually for inflation).

The bill also contains a new private-sector mandate by imposing a time limit on filing claims against the United States for losses covered by the Federal Aviation Administration’s War Risk Insurance Program. The CBO estimates that the cost of this mandate would be small and would fall well below the private-sector threshold established in UMRA (\$152 million in 2014, adjusted annually for inflation).

Does the Bill Contain Earmarks/Limited Tax Benefits/Limited Tariff Benefits?: No.

Constitutional Authority: The Constitutional Authority Statement accompanying the bill upon introduction states, “Congress has the power to enact this legislation pursuant to the following: The constitutional authority on which this bill rests is the power of Congress “to provide for the common Defence”, “to raise and support Armies”, “to provide and maintain a Navy” and “to make Rules for the Government and Regulation of the land and naval Forces” as enumerated in Article I, section 8 of the United States Constitution.”

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NOTE: *RSC Legislative Bulletins are for informational purposes only and should not be taken as statements of support or opposition from the Republican Study Committee.*
