

TITLE III—OPERATION AND MAINTENANCE

OVERVIEW

Due to the consistently high pace of operations, coupled with significant downsizing of some of the military services, the committee over the past several years has witnessed a disturbing decline in readiness of U.S. forces to meet their core missions. The Joint Chiefs of Staff have stated that rebuilding readiness is an

overarching priority, and last year submitted to Congress plans for readiness recovery.

The committee is concerned that the relentless high operational tempo continues to challenge the military services' readiness recovery plans. The committee was alarmed to hear, in testimony before the committee this year, increasingly blunt warnings from Department of Defense officials about the impact this tempo is having on a smaller force with limited resources. While the military service chiefs claim they can adequately respond to the current requirement for forces, they warn that the risks in meeting the time-phased requirements of some critical operational plans have increased and will continue to increase over time as their forces shrink.

In order to address the Department's readiness concerns and mitigate at least some of this risk, this Act would provide additional budget authority for multiple unfunded priorities of the military departments, to include additions to all of the military services' training and maintenance accounts, particularly aviation readiness. Facilities sustainment, restoration, and modernization accounts, an area the Department has underfunded for years, also would receive sizeable increases in funding.

This Act also would make several policy changes to enhance readiness and improve oversight. For example, it would provide shipyards, depots, and arsenals temporary direct and other hiring authorities to allow these facilities to quickly fill critical civilian manpower shortages. It also directs several assessments of the military departments' plans to build readiness, enhance exercises, and modernize training requirements.

ITEMS OF SPECIAL INTEREST

BUDGET REQUEST ADJUSTMENTS

Base Realignment and Closure Request for Fiscal Year 2019

The budget request included \$3.53 million, in Operation and Maintenance, Defense-Wide, to support a request to conduct a new round of Base Realignment and Closure (BRAC) to align infrastructure with planned force structure changes. The requested funds would be used to develop recommendations and to manage BRAC efforts.

The committee recommends no funds to support the development of infrastructure recommendations prepared in the context of a new BRAC authorization.

Ship Repair Capability in the Western Pacific

The Asia-Pacific rebalance strategy has increased forward deployment of U.S. Navy forces in the Western Pacific region, including the homeporting of additional *Los Angeles* and *Virginia* class fast-attack submarines and a second

submarine tender, as well as the deployment of additional ballistic missile destroyers and a near-permanent rotation of Littoral Combat Ship vessels in the region. However, the committee notes that dry-docking capabilities have not followed ship deployments. Dry-docking capabilities currently exist only in Hawaii and on the West Coast of the United States, requiring surface and subsurface vessels to be removed from the Western Pacific theater for at least an additional 2 to 3 weeks. The commander of U.S. Pacific Command testified in February 2016 that dry-docking capabilities in the Western Pacific are a matter of strategic importance and an operational necessity for Pacific Fleet. The committee, therefore, recommends an increase of \$9.5 million in Operation and Maintenance, Navy, Ship Depot Maintenance, to be applied to chartering a dry dock to meet maintenance requirements for the Western Pacific fleet.

ENERGY ISSUES

Alternatively Financed Energy Projects

The committee notes that the Department of Defense is the largest energy consumer in the Federal Government. According to the Department's 2015 Annual Energy Management Report, the Department spent \$4.20 billion on facilities energy in fiscal year 2014. The Department has reported that its dependence on the commercial power grid leaves the Department vulnerable to service disruptions that can impact core military and national defense missions involving power projection. To mitigate the potential impacts to critical mission functions, the Department has leveraged a variety of authorities to diversify the supply of energy through renewable and alternative sources and improve energy security by addressing the threat of commercial grid disruption with on-site generating capacity and the development of microgrids.

The Department has increasingly used alternative financing arrangements to fund infrastructure related to renewable and alternative energy generation, energy efficiency, and energy security of military installations. These alternative financing arrangements rely on private capital of energy service companies to fund the upfront investment of such projects in lieu of using appropriated funds. Generally, the installation repays the cost of the project using appropriated funds based on the cost savings attributable to the energy project or on the utility rates paid by the Department. For example, in 2012 the Government Accountability Office reported in "Renewable Energy Project Financing: Improved Guidance and Information Sharing Needed for DOD Project-Level Officials" (GAO-12-401) that a naval air station relied on an energy services company to use an energy savings performance contract to obtain private capital to fund installation of ground source heat pumps, and an Army base financed a wind turbine project using a utility energy services contract. The Government Accountability Office more recently reported, in "Energy Savings Performance Contracts: Additional Actions Needed to Improve Federal Oversight" (GAO-15-432), that in more than half of the cases

reviewed, contractors overstated the savings attributable to energy savings performance contracts.

The Government Accountability Office findings raise concerns about the financial performance of these projects and the extent of fiscal exposure the Department is experiencing by using appropriated funds in their budgets to repay contractors on these alternative financing arrangements. In order to better understand the extent of this exposure and any benefits obtained, the committee directs the Comptroller General of the United States to review the extent to which the Department of Defense is effectively leveraging appropriations to repay developers for alternatively financed energy savings, efficiency, or generating capacity projects, and at a minimum answer the following questions:

(1) What energy savings, efficiency, or generating capacity projects have been financed with alternative financing arrangements since 2012 and what is known about the estimated value of the projects?

(2) What is known about the extent to which estimated savings or other efficiencies have materialized for these alternatively financed projects since 2012?

(3) How does the Department protect its financial interests by ensuring that the savings reported by the contractors in alternatively financed energy projects accurately reflect project financial and efficiency performance?

(4) Since 2012, what proportion of the installations' utilities budgets have been encumbered to repay contractors in energy savings performance contracts, utilities energy services contracts, or other alternative project financing and for how many years, and what has the trend been since that time?

The committee further directs the Comptroller General to submit the study results to the congressional defense committees by April 17, 2017.

Energy Assurance for Department of Defense

The committee notes the importance for the Department of Defense to have the ability to recover from utility disruptions that impact mission assurance on its installations. In a globally linked battlespace, the committee recognizes that a disruption to the electrical supply at an installation in the United States can impact core military and national defense missions involving power projection, defense of the homeland, or operations that are forward deployed. Therefore, the committee is supportive of efforts by the Department of Defense and encourages the Department to leverage and integrate existing authorities to ensure installations have resilient, available, reliable, and continuous power during disruptions to the electrical supply. Such actions and investments should prioritize facilities supporting mission critical functions and be done through an enterprise approach and in a manner that is cost-effective and based on assessed vulnerabilities.

Expeditionary Power Management Systems

The committee recognizes the unique requirements that the Department of Defense has for powering equipment and weapon systems operating in a deployed

environment. Many of these systems rely on batteries as their sole source of power, which may require a deployed unit to carry numerous replacement batteries while out on mission, or rely on more frequent resupply to support an operation. The committee is aware that the services, particularly the Army and the Marine Corps, have been focused on the development and fielding of energy-related technologies aimed at extending range and endurance, increasing flexibility, resilience, and force protection, while enhancing mobility and freedom of action in a deployed environment. The committee is supportive of these efforts and believes the Department should continue to focus on cost-effective investments that enhance combat capabilities and strengthen energy resiliency.

Integration of Installation Energy Authorities

The committee recognizes that the Department of Defense has a variety of statutory authorities that can be used to fulfill the Department's installation energy needs, including authorities ranging from third-party financing to capital investment using appropriated dollars. The committee notes that the Department of Defense's Annual Energy Management Report, issued in May 2015, states that the Department's first priority for its energy program is supporting the ability of the Department to carry out the mission, focusing its efforts through three pillars: expanding supply, reducing demand, and adapting future forces and technology. While the committee supports the mission assurance priority, the committee is concerned that the initiatives being pursued by the Department have not fully integrated these three pillars into a unified line of effort. The committee encourages the Department to interpret and integrate its existing authorities to support a holistic approach, focusing on projects and initiatives that integrate efficiencies, generation, storage, and infrastructure modernization at military installations.

Marine and Hydrokinetic Technology

The committee commends the U.S. Navy's exploration of ocean renewable energy, including marine and hydrokinetic energy systems, and notes the value of investing in alternative energy research with potential operational and fiscal benefits. The Navy is encouraged to continue its support for development of marine and hydrokinetic technologies, including research, testing, and demonstration of maritime security systems, at-sea persistent surveillance and communications systems, and exploring opportunities to reduce the cost of energy and increase tactical energy security at coastal Department of Defense facilities and forward deployed assets. Further, the Navy is encouraged to support research, testing, and demonstration activities of marine and hydrokinetic energy systems at existing U.S. open ocean test facilities and Department of Energy designated National Marine Renewable Energy Centers, which are capable of scale and full-scale device testing.

Procurement of Alternative Fuels

The committee continues to believe that the procurement of alternative fuels for operational purposes by the Department of Defense should be pursued only when the fully burdened cost of such fuels is cost-competitive with conventional fuels. Most recently, section 311 of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114-92) codified this requirement, which was previously a non-binding policy of the Department. The committee is aware that prior to the enactment of Public Law 114-92, the Defense Logistics Agency (DLA) awarded bulk fuel contracts for the Rocky Mountain/West Coast 2015 purchase program that included alternative fuel. While DLA has stated that procurement of this alternative fuel was cost-competitive with conventional fuels, the committee believes additional information is needed to understand how DLA determines how the price of a fuel is cost-competitive in compliance with the requirements of section 311 of Public Law 114-92.

Therefore, the committee directs the Director of the Defense Logistics Agency to provide a briefing to the House Armed Services Committee not later than March 1, 2017, that addresses, at a minimum, how DLA evaluates and determines whether an alternative fuel is cost-competitive with conventional fuels, what criteria are used to calculate the fully burdened cost of fuel, and how funds provided by the Commodity Credit Corporation (CCC) of the U.S. Department of Agriculture factor into DLA's analysis of whether an alternative fuel is cost-competitive. The briefing should also include the total amount of CCC funds that have been used by the Department of Defense to adjust the final laid down price of bulk fuel procurement.

Small Modular Reactors

The committee recognizes that nuclear power is a reliable alternative power source and understands that small modular reactors (SMRs) under development may also provide safe and reliable nuclear power sources for the Department of Defense. The committee believes that the use of SMRs could be useful in meeting the Department's energy assurance goals by helping ensure installations have resilient, available, reliable, and continuous power. Therefore, the committee directs the Secretary of Defense to conduct an evaluation of and provide a report to the House Committee on Armed Services by September 30, 2017, on the life-cycle cost effectiveness of using SMRs to power military installations through a commercial power supply arrangement. At minimum, the evaluation and report should address the economic feasibility of siting SMRs on the commercial electric grid and supplying power to military installations with peak power demands of 40 megawatts or greater and review the use of power purchase agreements needed to facilitate utility ownership of SMRs that supply power to those military installations. The Secretary should scope the evaluation as necessary to include the most practical and feasible military installations in question, and focus on those SMR technologies that are likely to become commercially available before 2025.

LOGISTICS AND SUSTAINMENT ISSUES

Defective Spare Parts

The Department of Defense Inspector General (DODIG) found, in a report dated February 23, 2016, that Defense Logistics Agency (DLA) Aviation did not pursue and obtain appropriate restitution for a projected 269 stock numbers and at least \$12.3 million in costs for which contractors supplied defective parts. The DODIG reported this occurred because DLA Aviation lacked sufficient controls and oversight. In addition, the DODIG found that defective parts were left unaccounted for in the Department of Defense supply system, negatively affecting warfighter readiness and safety.

Therefore, the committee directs the Comptroller General of the United States to evaluate the implementation and effectiveness of the DLA plan to address problems identified in the February 2016 DODIG report and submit the report to the congressional defense committees by February 1, 2017. Specifically, the report should assess whether the plan includes sufficient controls and oversight to ensure DLA Aviation logistics and acquisition personnel:

- (1) Coordinate to pursue restitution from contractors that provide defective parts, to the extent that such efforts are cost effective;
- (2) Adequately search the Department of Defense inventory to identify and remove defective parts;
- (3) Return defective parts to responsible contractors for replacement; and
- (4) Track the status of defective parts shipped back to contractors and ensure that appropriate restitution is provided in the form of replacement parts.

Additionally, the committee directs the DLA Director to provide a briefing to the House Committee on Armed Services, not later than October 1, 2016, on a plan of action, with milestones, to improve DLA Aviation's process to identify defective spare parts and for requesting repair and replacement of the defective parts. The briefing also should include the results of DLA's review of all stock numbers with associated product-quality deficiency reports closed between January 2014 and November 2015 where DLA's investigation concluded that the contractor provided defective parts. The briefing should include how DLA focused on high-value items as well as mission-critical items and what actions are being taken to pursue appropriate restitution and remove all defective parts from the Department of Defense supply system.

Discrepancies in the Transportation of Hazardous Material

The committee remains concerned about documentation and packaging discrepancies in the Department of Defense's system for transportation of hazardous material. In the Department's response to Government Accountability Office (GAO) Report 14-375 ("DOD Needs to Take Actions to Improve the Transportation of Hazardous Material"), the Department reported that some Department of Defense personnel and commercial shippers lack experience and training on hazardous material documentation and packaging. For example, contracts do not specify when vendors must prepare hazardous material for air

shipment or how to prepare required documentation and packaging, and they are not instructed to use a standardized virtual shipping module website. GAO noted human error is the principal cause for inaccurate, incorrect, or incomplete hazardous material shipment documentation.

Therefore, the committee urges the Department to implement a uniform, commercially available automated solution that will enable hazardous material shippers to manage, document, and ship material to and from Department of Defense facilities in full compliance with regulations while minimizing delays, lost time, confusion, and paperwork. The automated solution system should be one that can be continuously updated with the latest regulations and allow shippers to store data including classification information, safety data sheets, and the emergency response guidebook. The committee notes that a commercially available automated solution could help shippers save time by storing contracts, auto-filling templates for shipped materials, and validating shipping forms for error-free transport and reception.

Enhanced Decision Analysis for Weapons System Sustainment

The committee supports the Navy's commitment to measure proficiency as a critical gauge of readiness through the use of enhanced decision analysis capabilities for weapons system sustainment such as the Readiness Cost Analysis Tool (RCAT) initiative. The committee directs the Assistant Secretary of the Navy (Research, Development, and Acquisition) to provide a briefing to the House Committee on Armed Services by August 30, 2016, on the benefits gleaned from RCAT analysis. The briefing should include, but not be limited to, a statement of the current funding profile of this initiative as well as potential courses of action to accelerate or streamline the current strategy for further implementation of this initiative.

F-35 Sustainment

The committee recognizes the importance of the F-35 Lightning II Program as the future of tactical air for the Department of Defense. With total life-cycle costs estimated to be more than \$1.2 trillion, just under \$900.00 billion of those costs are estimated to come from the operation and support of the aircraft. In July 2015, the Marine Corps declared its F-35B aircraft both operational and deployable. However, the committee notes this declaration was made without meeting certain operational criteria required by the Marine Corps and without comprehensive deployability testing of the aircraft. The Marine Corps' deployment of its first squadron of aircraft to Marine Corps Air Station Iwakuni, Japan, in 2017, will be the first opportunity to prove operational concepts not only for the Marine Corps, but also global sustainment concepts for the Air Force and Navy, who will deploy the F-35 after the Marine Corps.

Given the significance of the F-35 program to the future of tactical air for the military, and the Department's need to operate and deploy the F-35 on a

widespread basis in the coming years, the committee directs the Comptroller General of the United States to provide a preliminary briefing to the House Committee on Armed Services on the following factors, not later than January 17, 2017, with a report to follow. The briefing and report should review the Department's ongoing F-35 deployment planning efforts and include:

(1) To what extent has the Department developed plans to support its initial F-35 deployment to Marine Corps Air Station Iwakuni, including those related to personnel, aircraft support equipment, infrastructure, and spare parts;

(2) To what extent will the Marine Corps' initial deployment to Marine Corps Air Station Iwakuni enable U.S. Pacific Command to meet its operational requirements;

(3) What challenges does the F-35 program face with its initial deployment to Marine Corps Air Station Iwakuni and to what extent does the Department have plans to measure success, challenges, and share lessons learned with the Air Force and Navy; and

(4) To what extent is F-35 support equipment, including the Autonomic Logistics Information System, prepared to deploy to overseas and austere locations.

Funding for Corrosion Control and Prevention

The committee has long supported the activities of the Office of Corrosion Policy and Oversight and the military departments' corrosion control and prevention executives in preventing and mitigating corrosion of the military equipment and infrastructure of the Department of Defense. One of the duties set forth in section 2228 of title 10, United States Code, for the director of the Office of Corrosion Policy and Oversight is to review the programs and funding levels proposed by the Secretary of each military department during the annual internal Department of Defense budget review process, as those programs and funding proposals relate to programs and funding for the prevention and mitigation of corrosion, and submit recommendations regarding those programs and proposed funding levels.

The committee is concerned that beginning with the fiscal year 2013 report to Congress, the Department no longer reported the number and costs of anti-corrosion projects submitted by the military departments to the Office of Corrosion Policy and Oversight that remained unfunded in the annual budget submission. Therefore, to ensure that Congress has the accurate and comprehensive information it needs to exercise its oversight responsibilities, the committee directs the Under Secretary of Defense for Acquisition, Technology, and Logistics to provide in the annual corrosion budget report to Congress a more detailed explanation of the development of the Department of Defense's corrosion-related funding requirements.

Additionally, to enhance the Department's ability to make consistent and informed decisions in its management of the Technical Corrosion Collaboration (TCC) program in accordance with internal control standards, the committee directs

the director of the Office of Corrosion Policy and Oversight to track and maintain accurate records that include funds used for the TCC program and retain such records in a format that can be easily examined to ensure that funding data will be accurately accounted for and reported in future reports, such as the annual budget report to Congress.

Implementation of Product Support Managers

Section 805 of the National Defense Authorization Act for Fiscal Year 2010 (Public Law 111-84) requires that product support managers (PSMs) be assigned to all major weapon systems and identifies key responsibilities for these individuals. PSMs are assigned to each major weapon system to help the Department of Defense ensure that it has effective sustainment strategies and processes to support the goals of maintaining its weapon systems' readiness and controlling costs throughout the life cycle of a system.

In April 2014, the Government Accountability Office (GAO) reported that the Department of Defense and the military services had taken steps to implement PSMs for major weapon systems, but certain aspects of the implementation process remain incomplete. For example, the Department does not fully know how, or to what extent, PSMs are affecting life-cycle sustainment decisions because it has not systematically collected and evaluated information on the effects PSMs are having on their assigned weapon systems. Also, the committee is aware of specific challenges the Army has faced in implementing PSMs, and GAO recommended that the Army needed to clarify the roles and responsibilities of certain personnel who support PSMs. This includes the reporting relationships of Army Materiel Command product support personnel assigned to Army weapon system program offices.

Given that operating and support costs historically account for about 70 percent of a weapon system's total life-cycle cost and the critical nature of the PSM in affecting life-cycle sustainment decisions, the committee directs the Comptroller General of the United States to assess the following and provide a briefing to the House Committee on Armed Services, not later than February 1, 2017, on preliminary findings of the Comptroller General's evaluation and to submit a final report to the Committees on Armed Services of the Senate and the House of Representatives on a date agreed to at the time of the briefing:

- (1) How early and how often the Army and the other services are integrating PSMs into the development and acquisition of weapon systems;
- (2) How the Army and the other services are integrating PSMs into the life-cycle management of weapon systems; and
- (3) To what extent the Department of Defense and the Army have addressed GAO's prior recommendations concerning the implementation of PSMs, including measuring their impact on life-cycle sustainment decisions and clarifying PSM roles, responsibilities, and reporting relationships.

Integration of Operational Contract Support Matters in Joint Training Programs

The committee is aware that the Department of Defense recently conducted its third Joint Staff-sponsored Operational Contract Support (OCS) exercise. The committee applauds efforts by the Joint Staff Director of Logistics to advance senior-leader awareness of OCS and the need to integrate consideration of OCS into doctrine, policy, and strategic guidance. However, the committee is concerned that while the joint force commander is undeniably reliant on contract support to accomplish strategic and operational ends, consideration of OCS, and its associated risks and benefits, has yet to be integrated into the organizational structure of the geographic and functional combatant commands. As a result, the commanders and their staffs lack the ability to integrate OCS requirements into operational plans, assess OCS readiness, and identify operational and strategic risks associated with reliance on contract support. Furthermore, exercise and training activities related to OCS have been focused on the acquisition and logistics communities, with little warfighter awareness, interest, or involvement.

Therefore, the committee directs the Chairman of the Joint Chiefs of Staff to incorporate OCS matters (such as planning, requirements determination, risk analysis, contract support integration, readiness assessments, and contractor management) into all joint training programs designed to establish foundational competence in the conduct of campaigns and major operations. The committee believes that this directed focus on OCS in joint training programs will enable the joint force to leverage contract support to achieve operational and strategic effects and may reduce risks associated with reliance on contracting in contingency operations.

Item Unique Identification Policy Implementation

The committee is closely monitoring the Department of Defense's strategy for improving asset tracking and in-transit visibility and supports the Department's goal of enhancing asset visibility through item unique identification (IUID) and automatic identification technology (AIT)/automatic identification and data capture (AIDC) processes. The committee remains concerned, however, about the level of the Department's compliance with its own IUID policy as outlined in Department of Defense Instruction (DODI) 8320.04 issued September 3, 2015. The committee directs the Secretary of Defense to present a consolidated briefing to the House Committee on Armed Services not later than December 1, 2016, regarding efforts to address the following responsibilities, as outlined in DODI 8320.04:

- (1) The efforts of the Under Secretary of Defense for Acquisition, Technology, and Logistics to ensure IUID is integrated into acquisition programs;
- (2) The efforts of the director of the Defense Logistics Agency to ensure their managed items identified as requiring IUID are appropriately marked and recorded in the Department of Defense IUID Registry;
- (3) The efforts of the Deputy Chief Management Officer and the Department of Defense Chief Information Officer to integrate IUID policy and the

Department of Defense IUID Registry into the Department of Defense Business Enterprise Architecture; and

(4) The efforts of the Secretaries of the military departments to identify focal points for IUID planning and implementation and efforts to ensure that service or agency managed items identified as requiring IUID are appropriately marked and recorded in the Department of Defense IUID Registry.

Elsewhere in this Act, the committee includes a legislative provision that would limit funding to the Defense Contract Management Agency (DCMA) until the DMCA director provides a briefing to the congressional defense committees on the agency's plan to foster the adoption, implementation, and verification of the Department's revised IUID policy across the Department and the defense industrial base.

Sustainment of Major Weapon Systems

The Department of Defense spends billions of dollars annually to sustain its major weapon systems in an effort to simultaneously support today's military operations and maintain the capability to meet future defense requirements. However, the committee recognizes that many of the Department's major weapon systems are aging and present sustainment challenges, including depot maintenance and supply support. For example, the Air Force is already operating many of its fighter and bomber aircraft well beyond their original designed service lives. Over the past several years, the Navy also has been confronted by serious sustainment challenges with the aging F/A-18 Hornet. The Army and the Marine Corps also have weapon systems, such as helicopters and amphibious assault vehicles that present similar sustainment challenges.

The Government Accountability Office currently conducts annual assessments of the Department's major defense acquisition programs, including information on the costs and schedule performance of selected major weapon systems. The committee finds these assessments invaluable in evaluating the Department's procurement of major weapon systems. The committee believes an examination of key aspects of the sustainment of selected major weapon systems would further complement this existing body of work.

Therefore, the committee directs the Comptroller General of the United States to submit a report to the House Committee on Armed Services and the Senate Committee on Armed Services that evaluates:

(1) The condition of and sustainment strategies for selected major weapon systems;

(2) Major sustainment challenges affecting the condition of the selected major weapon systems;

(3) The Department's current and planned actions to address any identified challenges (for example, depot maintenance enhancements and efficiencies, supply support improvements, funding strategies); and

(4) Other related matters the Comptroller General deems appropriate.

The committee further directs the Comptroller General to brief the House Committee on Armed Services not later than February 1, 2017, on preliminary findings of the Comptroller General's evaluation, with the report to follow at a date to be determined at the time of the briefing.

READINESS ISSUES

Air Refueling Requirements

The committee notes that section 1054 of the Carl Levin and Howard P. “Buck” McKeon National Defense Authorization Act for Fiscal Year 2015 (Public Law 113-291) required the Secretary of the Air Force to provide a business case analysis on converting the 168th Air Refueling Wing at Eielson Air Force Base, Alaska, to an Active Associate Wing. Congress has not received this report, which was to be delivered 60 days after the date of the enactment of Public Law 113-291. The committee remains concerned that air refueling requirements may exceed capacity at Eielson Air Force Base. Therefore, the committee directs the Secretary of the Air Force to provide a briefing to the Committees on Armed Services of the Senate and the House of Representatives, not later than October 14, 2016, on the impact of air refueling operations at Eielson Air Force Base, an estimate of the ability to achieve air refueling requirements following the establishment of two F-35 squadrons in fiscal year 2020, and a business case analysis of the impact of these additional aircraft on refueling operations in the Alaska area-of-operations.

Armed Forces Sports Program and Service Academy Athletic Interns

The committee notes the significant end strength reductions the military services will continue to implement through fiscal year 2017. Although the committee provides the Department with a wide latitude of authority in order for the military services to execute their end strength reductions, the committee is concerned by the prioritization of some military sports programs. The committee believes these programs should be analyzed to determine the impact they may have on the readiness of units by allowing personnel to spend an extended period of time participating in sports programs instead of serving in their military occupational skill.

Therefore, the committee directs the Comptroller General of the United States to provide a briefing to the Senate Committee on Armed Services and the House Committee on Armed Services by February 1, 2017, on the impact that the Armed Forces Sports program has on the military services' readiness.

The committee further directs the Secretary of Defense to provide a briefing to the Senate Committee on Armed Services and the House Committee on Armed Services by December 1, 2016, on the Armed Forces Sports program. At a minimum, the briefing shall include:

- (1) The purpose of the program;
- (2) Its measures of performance and effectiveness;

- (3) The number of service members participating in the program;
- (4) The cost of the program; and
- (5) The number of days service members spend in the program.

Additionally, the committee directs the Secretary of Defense to provide a briefing to the Senate Committee on Armed Services and the House Committee on Armed Services by December 1, 2016, on service academy athletic interns. At a minimum, the briefing shall include:

- (1) The purpose of service academy graduate athletic interns;
- (2) The number of service academy graduates who remain at the service academies for a full or partial year as an athletic intern;
- (3) How the academies measure the performance and effectiveness of athletic interns;
- (4) The cost to the academies to maintain graduate athletic interns; and
- (5) The career impact to those who remain at the academies as athletic interns.

Army Aviation Multi-Component Pilot Program

The National Commission on the Future of the Army (NCFA) recommended the Army develop “a substantial pilot program” to test multi-component approaches in the Army’s aviation units. The committee believes that multi-component aviation units can improve readiness and enhance force integration by exploiting the differing strengths of the Regular Army and Reserve Components. The Army has begun limited use of multi-component approaches in aviation units with fixed-wing C-12 aircraft. Other co-located units, such as Black Hawk and Chinook helicopters in some States, allow units from different components to train together. The committee understands the Army is already pursuing implementation of the NCFA recommendation and is in the design phase of the pilot program. The committee applauds the Army’s efforts to test the aviation multi-component approach and expects the Army to provide progress reports as requested by the committee on the initiative as it moves forward.

Assessment of Navy and Marine Corps Training Requirements

In the coming years, the Navy and Marine Corps will confront an increasingly complex security environment that will demand a wide range of missions, such as defeating terrorist organizations and responding to worldwide humanitarian crises. To meet these evolving challenges, the military services have developed plans to synchronize training and deployment schedules to improve readiness and are reemphasizing core training skills that degraded during a decade of counterinsurgency operations. However, factors such as equipment availability and access to training ranges can affect the services’ ability to conduct training for their core capability areas. Moreover, the military services continue to face an environment of uncertain and constrained budgetary resources for the foreseeable future.

The committee is aware that some targeted investments have been made since fiscal year 2013 to improve training readiness but remains concerned about the ability of the Navy and the Marine Corps — to include Navy and Marine Corps Reserve — to balance training investments with available resources. As a result, the committee believes the services will need to re-examine the requirements for training their forces and explore whether they can achieve additional efficiencies or cost savings in their training approaches, such as by increasing reliance on virtual or simulator technologies to meet some training tasks.

Therefore, the committee directs the Comptroller General of the United States to evaluate Navy and Marine Corps training requirements and provide a preliminary briefing to the House Committee on Armed Services by February 1, 2017, with an assessment of the following:

(1) To what extent do the Navy and Marine Corps processes establish requirements and resource needs to train forces for core capability areas?

(2) To what extent have the Navy and Marine Corps conducted training for core capability areas and identified any factors that limit this training?

(3) To what extent have the Navy and Marine Corps taken steps to integrate the use of virtual or simulated training to prepare forces for the full range of military operations?

Any remaining work and a final report will be completed within a time as subsequently agreed upon with the committee.

C-130 Aircraft Maintenance and Modernization

Given current and future depot-level C-130 maintenance requirements, the likelihood of additional unscheduled requirements, depot capacity, the shortfall in depot maintainers, and broader responsibility for other military service C-130 maintenance requirements, the committee directs the Secretary of the Air Force to provide an unclassified briefing to the House Committee on Armed Services, not later than September 30, 2016, on the service's approach to C-130 maintenance, service life extension, and modernization requirements over the next 5 years.

Condition-Based Maintenance on Navy Surface Ships

The committee notes that in 2013, the Department of the Navy established policy directing the integration of Condition-Based Maintenance (CBM) on ships, ship systems, and equipment. The committee understands that CBM has been successfully implemented on aircraft, helicopters, military and commercial vehicles, and trains and has demonstrated cost savings and increased operational readiness. However, the committee has learned that, with the exception of Littoral Combat Ships (LCS), the Navy has not implemented condition-based maintenance on its surface ships. The committee further notes that the CBM demonstration initiative for amphibious ships to address long-standing diesel readiness issues has been stalled for more than 3 years.

The committee directs the Secretary of the Navy to brief the House Committee on Armed Services by June 30, 2016, on the status of implementing CBM on Navy surface ships. The committee expects this briefing, at a minimum, to address the implementation plan for amphibious ships.

Corrective Actions in Response to the Temporary Detention of United States Sailors by Iran

The committee remains concerned regarding the totality of circumstances that contributed to the temporary detention of ten United States Navy sailors by force of the Islamic Republic of Iran in January 2016. The committee directs the Chief of Naval Operations to notify the committee upon the conclusion of the ongoing investigation stemming from the events in question. The committee also directs the Chief of Naval Operations to provide a briefing to the congressional defense committees no later than 90 days following the conclusion of the investigation to provide an update on corrective actions taken, including any administrative actions or judicial proceedings initiated against any service member as a result of that investigation.

Defense Language Institute Support to the Intelligence Community

The committee remains interested in ensuring that the Intelligence Community recruits, trains, and retains the most capable language experts. In light of ongoing global conflicts in the Middle East and North Africa, and the challenges posed by near-competitor states such as the Russian Federation and the People's Republic of China, it is critical that the Department of Defense continue to adequately fund and support foreign language programs, especially the Defense Language Institute (DLI).

Therefore, the committee directs the Secretary of the Army, in coordination with the Director of National Intelligence and the Director of the National Security Agency, to:

(1) Conduct an updated manpower study of the Defense Language Institute to determine the Institute's faculty and staff manning needs given increased requirements levied upon them by the Intelligence Community and the Department of Defense; and

(2) Develop a plan to modernize the 1996 Defense Language Institute pay structure, taking into account the significant variation between the DLI and other Department of Defense educational institutions and local colleges, including California community colleges. The new pay structure should appropriately reflect the capabilities of the DLI workforce and should seek to provide competitive salaries to Defense Language Institute Foreign Language Center instructors.

The committee further directs the Secretary of the Army, in coordination with the Director of National Intelligence and the Director of the National Security Agency, to provide a briefing to the House Committee on Armed Services and the House Permanent Select Committee on Intelligence, by March 1, 2017, on the

status of the manpower study and the new pay structure plan detailed above, as well as the status of efforts to meet the increased Intelligence Community and Department of Defense language expert requirements.

Defense Travel System

The committee is concerned that the Defense Travel System (DTS) is challenging for many service members to use, particularly among the Reserve Component. The committee has received information that the DTS process for booking travel, such as to-and-from drill locations, is often cumbersome and time consuming. The committee believes that the Department of Defense should explore ways to reform the DTS to make the system more user-friendly. The committee notes that the Defense Travel Management Office was established in 2006 as the single focal point for commercial travel within the Department. The committee directs the Director of DTS to provide a briefing to the House Committee on Armed Service not later than September 1, 2016, on ways to improve DTS to ensure it better meets the needs of Department of Defense travelers.

Force of the Future

The committee is aware of the Department of Defense's personnel reforms collectively known as "Force of the Future." These reforms are "designed to provide the military services a balanced set of force management tools that will allow them to improve their return on investment in human capital, improving military readiness in the long-run, while preserving military readiness and acknowledging operational demands in the near-term." The Department has to date issued two tranches of these reform proposals and plans to deliver more as they are ready for implementation. The committee supports the Department's efforts to address shortcomings in its military and civilian personnel systems and encourages its attempts to find innovative solutions to attract and maintain quality personnel. However, the committee is concerned that the readiness implications of many of these proposals have not been adequately addressed.

Therefore, the committee directs the Secretary of Defense to provide a briefing to the Senate Committee on Armed Services and the House Committee on Armed Services by December 1, 2016, on the readiness impacts of each of the approved and pending Force of the Future proposals. At a minimum, the briefing shall include the estimated cost of each proposal across the Future Years Defense Program; the estimated loss of days, by service, of both military and civilian personnel; and details of how the Department plans to measure the performance and effectiveness of each proposal.

Global Response Force Readiness

In January 2012, the Chairman of the Joint Chiefs of Staff published his Joint Operational Access Concept, which describes in broad terms his vision for how

joint forces will operate in response to emerging anti-access and area-denial security challenges. Subsequently, in “Sustaining U.S. Global Leadership: Priorities for 21st Century Defense,” the Secretary of Defense posits that the U.S. military will invest as required to ensure its ability to operate effectively in anti-access and area-denial environments, which would include implementing the Chairman’s Joint Operational Access Concept. At the heart of that concept is the Global Response Force (GRF), an airborne brigade combat team prepared to deploy anywhere in the world within 96 hours of notification. Formed around an airborne infantry brigade, the Global Response Force also includes artillery, reconnaissance, Strykers, M2 Bradley Fighting Vehicles, combat aviation, and other support, engineering, and logistical assets as needed.

According to the Army’s fiscal year 2017 budget estimate justification documents, forces dedicated to Global Response Force requirements will remain ready. Recognizing that a critical aspect of maintaining a ready force is training, the committee is concerned that the Department’s 2017 European Reassurance Initiative budget request allocates \$25 million to exercising the Global Response Force, a figure that is less than half of what was enacted in fiscal year 2016. The committee believes a minimum of four joint, collective training opportunities during the fiscal year focusing on “no-notice” alert, marshal, and deploy operations is necessary to fully exercise installation nodal and outload capabilities, ensure joint interoperability between the Army and the Air Force, and validate the overall combat readiness of the GRF. Given the decrement in fiscal year 2017, the committee is also concerned that other aspects of GRF readiness, such as manning, equipping, local training, or logistical or other support may likewise be adversely affected by present fiscal pressures, budgetary constraints, and competition for resources. In order to better understand the challenges that the Department may be facing with regard to the GRF and the impact they may have on the GRF’s readiness, the committee directs the Comptroller General of the United States to submit a report to the congressional defense committees by February 1, 2017, that assesses the following:

- (1) The factors, if any, that may affect the ability of the GRF to carry out its intended missions;
- (2) The extent to which the GRF’s available support capabilities (including logistics, command and control, engineer, and intelligence) address operational requirements; and
- (3) The impact, if any, that fiscal pressures or other challenges, such as the competition for resources, have had on GRF manning, equipping, and training.

Green Flag East

The committee is encouraged by the Department of Defense’s commitment to invest \$1.00 billion over 5 years in Red Flag and Green Flag exercises, resulting in no fewer than 34 major exercises. The committee report (H. Rept. 114-102) accompanying the National Defense Authorization Act for Fiscal Year 2016

required the Secretary of the Air Force to assess the adequacy of aviation resources provided during Green Flag East exercises at the Joint Readiness Training Center (JRTC). The committee remains concerned that Green Flag East continues to experience a lack of variety of air assets. The committee recommends the Secretary of the Air Force consider allocating a dedicated fixed-wing unit, manned or unmanned, to Green Flag East to support the anticipated increase in training days at the JRTC, including a potential doubling of Reserve Component rotations.

Impact of Mandatory Training Requirements on Achieving Increased Readiness

The committee understands that mandatory training requirements in the military services can range from training for nuclear, biological, and chemical defense to marksmanship qualification, suicide prevention, physical fitness, and sexual assault prevention, among others. A 2002 study at the Army company commander level found there were 297 days of annual mandatory training requirements for 256 available training days. Discussions across the force confirmed that commanders receive additional mandatory training requirements regardless of their units' ability to actually comply with the totality of the requirements. The Department of the Army Inspector General in 2012 reported that at none of the 16 locations inspected were companies in the Army Force Generation process able to complete all mandatory training.

The Army responded to a February 2015 study for the U.S. Army War College, which stated overwhelming training requirements may contribute to military personnel exaggerating or falsely reporting compliance in meeting statistical training requirements, by undertaking the "Objective T" initiative. "Objective T" seeks to reset mandatory training for appropriate individual-, leader-, and unit-level training; shift selected mandatory training tasks to "as-required" elements of command responsibility; establish a biennial cycle for select mandatory training tasks for the Reserve Components; and adopt new standards for mandatory training.

While the Army War College study focused on Army personnel, testimonies indicate this is a problem facing all branches of the U.S. military. The committee is concerned that the ever-increasing training demand forces military leaders at multiple levels in the chain of command to make ethical decisions between actually training to standard or falsifying reporting, as well as choosing between training for mission essential tasks and those perceived to be of lesser value.

In light of these concerns, the committee directs the Comptroller General of the United States to submit a report to the Senate Committee on Armed Services and the House Committee on Armed Services by February 1, 2017, addressing each of the following issues:

- (1) What is the level and range of mandatory training required annually in each of the military services, and do the requirements derive from law, policy, or guidance;

(2) What processes do the military services use to establish and track mandatory training requirements for service members;

(3) To what extent do the military services review and validate existing mandatory training requirements and assess the effectiveness of training strategies in meeting intended training objectives;

(4) To what extent do the military services have processes in place to analyze the impact of mandatory training requirements and compliance checks on the training readiness and capabilities of their forces; and

(5) To what extent do individual commanders have flexibility to prioritize mandatory training requirements in light of the amount of time available to complete individual and unit training.

The committee further directs the Comptroller General to provide a briefing to the House Committee on Armed Services not later than December 1, 2016, on preliminary findings of the Comptroller General's study.

Language Training

The committee believes that foreign language proficiency, including immersive regional and cultural training, is a major force multiplier and a key component of national defense. The committee therefore supports the fiscal year 2017 budget request for the Defense Language Institute (DLI) Foreign Language Center. The committee believes the fiscal year 2017 funding level will allow the DLI to address capability gaps in advanced foreign language training that otherwise would hamper the Department's ability to attain strategic national security objectives.

Further, due to recent Russian Federation activities in Eastern Europe, the committee believes the Department of Defense should examine whether training for U.S. service members in Russian language, regional expertise, and culture are sufficient to ensure service members deploying to Eastern Europe are prepared to effectively fulfill mission requirements. The committee urges the Director of the Defense Language and National Security Education Office (DLNSEO) to assess the need for additional courses in Russian language, regional expertise, and culture training.

As the Department continues to engage with allies across the combatant commands through security cooperation events, the committee encourages the Department to build awareness of foreign cultures and fluency in foreign languages and to provide opportunities for allies to experience American culture and improve their English-language proficiency. Among the opportunities the committee recommends exploring are expanding Army Cadet Command's Cultural Understanding and Language Proficiency program to the other military services, expanding the number of allied English-language instructors who receive instruction annually at the DLI, temporary overseas assignments for DLI instructors to teach English to allied students, and partnerships with U.S. colleges and universities who have degree programs for English-as-a-foreign-language

studies. Accordingly, the committee directs the Director of the DLNSEO to provide a briefing to the House Committee on Armed Services not later than September 30, 2016, on the feasibility and estimated costs of these opportunities and provide a suggested list of developing countries prioritized for engagement and instruction.

Management Software for Navy Training

The committee recognizes the importance of providing software applications designed to support visibility of readiness levels for individual service member training and qualifications. The committee notes that the Advanced Skills Management (ASM) system used by the Department of the Navy is a software application designed to identify job tasking requirements, assist in determining proficiencies, document qualifications and certifications, and track completed technical training. The committee notes that the Fleet Management and Planning System (FLTMPMS) used by the Department of the Navy is a software application designed to assist in monitoring and managing training requirements, unit manning, and personnel and training status. The committee is aware of commercial off-the-shelf (COTS) software alternatives that may offer existing capabilities at a cost savings to the Navy. Therefore, the committee directs the Secretary of the Navy to provide a briefing to the House Committee on Armed Services, not later than August 1, 2016, that includes:

- (1) Market research conducted by the Navy to identify commercial software solutions for support training and manning requirements;
- (2) A cost-benefit analysis of integration of ASM capabilities into FLTMPMS;
- (3) A cost-benefit analysis of available COTS and government-off-the-shelf software solutions for training and manning requirements;
- (4) A review of the Department's acquisition strategy to enhance ASM and FLTMPMS; and
- (5) The long-term acquisition strategy for a software application designed to measure individual service member readiness as a critical gauge of readiness.

Military Bands

While the committee provides the Department of Defense with a wide latitude of authority for the military services to execute the end strength reductions that are continuing through fiscal year 2017, the committee is concerned by the prioritization of some military units. The committee believes that the services may be able to conserve end strength by reducing the number of military bands.

Therefore, the committee directs the Comptroller General of the United States to submit a report to the Senate Committee on Armed Services and the House Committee on Armed Services by February 1, 2017, on the Department of Defense requirement for military bands.

The committee further directs the Secretary of Defense to provide a briefing to the Senate Committee on Armed Services and the House Committee on Armed

Services by December 1, 2016, on military bands. At a minimum, the briefing shall include:

- (1) The number of military bands, by service, and their location;
- (2) The cost of military bands (including recruitment, training, facilities, and transportation);
- (3) The number of service members assigned to military bands;
- (4) The history of reductions in military bands over the past 5 years; and
- (5) The feasibility of combining military bands at joint locations.

Mobility Support for Operations on the Korean Peninsula

U.S. and Republic of Korea forces train and plan together to deter and defeat aggression emanating from the Democratic People's Republic of Korea. As a result of this longstanding alliance, operational and contingency plans have been codified, coordinated, and exercised. Over time those plans have evolved to meet changing conditions, enhance readiness, and strengthen the alliance's ability to defend the Republic of Korea and maintain stability on the Korean Peninsula. Plans for rapidly reinforcing U.S. forces already on the peninsula would require U.S. Transportation Command to undertake the rapid movement to the Korean Peninsula of forces and capabilities presently located in the continental United States and elsewhere. In light of new and increasingly threatening dynamics, the committee directs the Comptroller General of the United States to assess the following:

- (1) The factors, if any, that may affect U.S. Transportation Command's ability to carry out its wartime mission with respect to operations on the Korean Peninsula;
- (2) The extent to which U.S. Transportation Command's plans and capabilities are postured to support the outbreak of hostilities on the Korean Peninsula;
- (3) The readiness of U.S. Transportation Command's assets (air, land, and sea) to carry out its wartime mission; and
- (4) Any other issues the Comptroller General determines appropriate with respect to U.S. Transportation Command's support of operations on the Korean Peninsula.

The committee further directs the Comptroller General to provide a briefing to the House Committee on Armed Services not later than February 1, 2017, on the Comptroller General's preliminary findings and to submit a final report to the congressional defense committees on a date agreed to at the time of the briefing.

Output-Based Readiness Metrics

The committee notes that current readiness metrics largely focus on inputs rather than outputs, such as the amount of training completed, the number of personnel assigned to units, or the maintenance level of equipment. The committee is interested in how output-based readiness metrics, including objective measures of

how well units and personnel perform during realistic training and exercises, could offer alternative measures of the ability of forces to perform the missions assigned to them and could help to improve the ways in which readiness is measured and resourced. The committee encourages the Under Secretary of Defense for Personnel and Readiness to consider developing output-based readiness metrics that could be used to assess the ability of units to perform the tasks specified in their mission essential task lists and to consider how data related to these metrics could be appropriately collected and retained during relevant operations or training exercises.

Refinement of Joint Staff Input into the Quarterly Readiness Report to Congress

The committee is aware that the Chairman of the Joint Chiefs of Staff, in complying with the Quarterly Readiness Report to Congress (QRRC) required by section 482 of title 10, United States Code, is seeking to refine the Joint Staff's input into the QRRC required through section 117 of title 10, United States Code, in order to improve relevance and timeliness in reporting while minimizing redundancy and overlapping processes. The committee itself, in previous authorization acts, has sought to increase the QRRC's value to the committee through the selective addition of information regarding preparation for, and support to, contingency operations and by eliminating portions of the QRRC which are available from other sources or no longer deemed important to congressional decision making. In light of current concerns about the readiness of U.S. military forces, the committee supports the Chairman's efforts to refine readiness information and reporting requirements and to streamline processes to meet the 45-day QRRC statutory deadlines, including consideration of separating and alternating semiannual assessments with semiannual reports.

Regional Air Ranges and Exercise

The committee notes that each military service relies on major national air ranges and military operating areas to provide realistic combined-arms pilot training against a variety of targets and simulated threats. The committee believes these ranges provide critical and efficient opportunities for small and large units to train together as a joint force on a variety of air-to-air and air-to-ground scenarios in increasing levels of complexity. The committee also believes that the integration of fourth- and fifth-generation combat capabilities on regional ranges during frequent local exercises is critical to maintain the readiness and proficiency of aircrews to meet combatant commanders' requirements across the entire spectrum of potential operations.

The committee notes that diminished training resources require a prioritization of investments in training infrastructure. The committee believes that regional, jointly managed air ranges, and frequent, locally planned exercises would result in training opportunities for each service that are realistic, efficient, and effective. Looking ahead, the committee believes that the services must address

common concerns about limited airspace to meet training requirements for fifth-generation aircraft and standoff precision-guided munitions by collaborating on the establishment and management of joint regional ranges consisting of connected, existing service-specific ranges. The committee also believes that regional ranges must be equipped with mobile joint threat emitters designed as a multi-threat, high-fidelity simulator with realistic, effective radiated power levels to help train aircrews to identify and counter enemy missile or artillery threats, as well as integrated air defense systems in a war-like training environment.

Therefore, the committee directs the Secretary of Defense to establish an investment strategy for the preservation and enhancement of regional ranges and exercises needed to provide adequate live training for aircrews across the full spectrum of operations. The committee notes that the Department's annual sustainable ranges report should inform this report and may facilitate development of an investment strategy. The strategy shall include:

- (1) An assessment of the importance of regional ranges and exercises;
- (2) A review of existing threats to continued operation or limits of regional ranges;
- (3) A review of measures taken to date to preserve the capabilities of each regional range;
- (4) A prioritized list of specific actions needed to promote compatible development in areas around each regional range;
- (5) A prioritized list of proposed investments, including installation of joint threat emitter systems; and
- (6) Specific actions proposed to enhance the training opportunities by combining existing regional ranges, enlarging operating areas, and establishing joint range management entities.

The committee further directs the Secretary to submit a report to the House Committee on Armed Services, not later than December 11, 2016, that includes the investment strategy and descriptions of other initiatives to improve regional opportunities for realistic, joint training of military aircrews.

Regional Biosecurity Plan Implementation

The committee notes that in March 2015, the Department of the Navy released the "Regional Biosecurity Plan for Micronesia and Hawaii." This document provided recommendations that, if appropriately implemented, will minimize the harmful ecological, social, cultural, and economic impacts of invasive species through the prevention and management of such species' introduction, expansion, and dispersal within the region. With the influx of permanent and rotational U.S. military personnel and equipment in the region, the committee understands that the Department of the Navy agreed to fund the development of this plan in part to assist with minimizing the risk of introduction and spread of invasive species to and within the region. The committee notes that the document contains numerous

recommendations and action items at different priority levels for the Department of Defense.

Therefore, the committee directs the Secretary of Defense, in coordination with other Federal agencies as appropriate, to provide a briefing to the House Armed Services Committee, not later than February 1, 2017, regarding the Department's implementation of the Regional Biosecurity Plan for Micronesia and Hawaii. In addition to the steps that are being taken to implement the recommendations and action items, the briefing may include an estimate of the additional costs associated with continued implementation, to include specifying in detail the cost for each component and program of the Department of Defense.

Report on Small Boat Maintenance

The committee is aware that some of the small boats and watercraft of the Navy Installation Command (CNIC) and United States Naval Academy do not utilize the Navy's Maintenance and Material Management (3M) program or are partially covered. The committee recognizes that over the life of these small watercraft, on-time performance maintenance inspection actions are necessary to optimize performance, reduce equipment failure and breakdowns, and ensure operational availability of these assets.

Therefore, the committee directs the Secretary of the Navy to provide an unclassified briefing to the House Committee on Armed Services, not later than August 31, 2016, on the service's approach to small boat and small watercraft maintenance. This briefing shall include, at a minimum:

- (1) An inventory of Navy Installation Command and United States Naval Academy small boats and watercraft;
- (2) The maintenance routine and inspections for these small watercraft and boats; and
- (3) A review of existing Navy maintenance programs and commercially available maintenance products used with other small boats and watercraft.

Review of the Readiness of Military Sealift Command Ships and Employment Plans

The committee understands the Navy has called for a fleet with more distributed lethality to extend the global reach of its combatant ships. Concurrently, the Military Sealift Command (MSC) fleet will need to provide the logistics support required by globally distributed operations. These demands will be in addition to new tasking to the MSC fleet, given the declining numbers of combat ships in the fleet. In some mission areas, such as amphibious operations, MSC platforms are taking on new roles. For example, the Expeditionary Fast Transport (formerly designated the Joint High Speed Vessel) and the Afloat Forward Staging Base are providing some amphibious capabilities, including rapid transport of troops and equipment and forward logistics support and command and control to other Navy ships and helicopters in operational areas. The committee notes the Navy has introduced these ships into the fleet but has not yet provided a comprehensive

account of the missions they are suitable to support. MSC's expanded roles also require a healthy supply of experienced mariners and a robust number of U.S. merchant ships to generate these qualified mariners. With declining ship numbers in the U.S. merchant fleet, the committee is concerned these new requirements may not be fully addressed.

Therefore, the committee directs the Comptroller General of the United States to submit a report to the congressional defense committees to address the following:

(1) What challenges does Military Sealift Command face with respect to material condition and service life of its fleet and what impact, if any, do these have on maintaining needed warfighting capabilities;

(2) What personnel and training challenges have impacted the Military Sealift Command, and what effects, if any, do these pose to maintaining warfighting readiness;

(3) How are Military Sealift Command's mission requirements evolving? What implications, if any, are there for the command's personnel and force structure; and

(4) Any other related matters as deemed appropriate in order to provide a comprehensive examination of Military Sealift Command readiness and employment plans.

The committee further directs the Comptroller General to provide a preliminary briefing to the House Committee on Armed Services not later than February 1, 2017, with the report to be submitted at a date to be determined at the time of the briefing.

Rotary-Wing Aviation Readiness and Safety

The committee notes with concern the frequency of mishaps in rotary-wing aviation over the past 5 years. The committee further notes that the commander of the Army's Aviation Center of Excellence described home-station training as a significant concern due to the inability of the Army to provide sufficient flying hours for all pilots to meet established standards. Similarly, the committee notes that the Deputy Commandant of the Marine Corps for Aviation has described the reduction of funding for aviation training and maintenance as a critical concern. Further, the committee believes that the proficiency of rotary-wing pilots and the readiness of rotary-wing platforms provide crucial capabilities to the joint force. Therefore, the committee urges the Secretary of the Army and the Secretary of the Navy to prioritize rotary-wing aviation funding in order to ensure that the United States maintains this crucial capability into the future.

The committee directs the Chief of Staff of the Army, the Chief of Naval Operations, and the Commandant of the Marine Corps each to provide a report to the Senate Committee on Armed Services and the House Committee on Armed Services, not later than January 2, 2017, on the impact of reduced funding on rotary-wing aviation readiness and safety from fiscal year 2012 to the present and

an estimate of the impact to aviation readiness and safety if funding were maintained at levels consistent with the Budget Control Act of 2011 (Public Law 112-25) through fiscal year 2023.

Soldiers Medically Unavailable for Training

The committee is concerned about the number of soldiers who, while assigned to deployable units, are medically unavailable for training or deployment. The committee shares the Army's desire to provide these soldiers the medical treatment they deserve, while at the same time moving them to Warrior Transition Units and/or discharging them as quickly as practicable. The committee recognizes the readiness strain that permanently non-deployable soldiers place on deployable units, and encourages the Army to make this process as streamlined as possible.

Therefore, the committee directs the Secretary of the Army to provide a briefing to the Senate Committee on Armed Services and the House Committee on Armed Services by November 1, 2016, regarding the effects on readiness of medically non-deployable soldiers. The briefing should include, at a minimum, the number of medically non-deployable soldiers currently in deployable units, the average time a medically non-deployable soldier waits to be reassigned out of a deployable unit, the process the Army uses to discharge medically non-deployable soldiers, what the Army is doing to speed up the discharge process, and any issues that slow down the discharge process.

Support Capabilities for Operations in Europe

Since the end of the Cold War, the size and footprint of U.S. forces in Europe have decreased. Recently, however, Russian activities in the region have provided cause for reassessment. The Secretary of Defense recommended in the budget request for fiscal year 2017 to quadruple the allocation for the European Reassurance Initiative to \$3.40 billion, saying that this money will go to pay for increased rotations of U.S. forces to Europe, increased prepositioned stocks, and increased multinational training, among other things. Moreover, a significant part of the Department's future focus will be on Eastern Europe, where the United States has not previously had a significant military footprint. This increased U.S. effort in Europe raises concerns about the adequacy of the logistical and other support capabilities needed to sustain future operations.

In light of these concerns, the committee directs the Comptroller General of the United States to evaluate the following with regard to the Department's support capabilities for increased activities in Europe and provide a preliminary briefing to the House Committee on Armed Services on the following factors not later than February 1, 2017, with a report to follow at a date to be determined at the briefing:

(1) To what extent have the U.S. European Command and supporting commands identified gaps in logistical and other support capabilities relevant to an increased presence under the European Reassurance Initiative;

(2) How have the relevant Department of Defense organizations addressed any identified gaps in logistical and other support capabilities; and

(3) To what extent have the relevant Department of Defense organizations evaluated requirements for prepositioned stocks and other forward-positioned equipment to support future operations in Europe and developed a joint strategy and plan to implement any needed changes to these items.

Synthetic Training System and Small Arms Qualification

The committee notes that in reviewing base security forces' response to the September 16, 2013, active-shooter attack at the Washington Navy Yard, Department of the Navy officials recognized the Navy's small-arms qualification programs are not aligned to post-9/11 force protection watch-standing requirements and that Navy programs and policies regarding hostile intent determination are unclear, under-resourced, and lack standardization among small-arms trainers. Also, the committee was concerned to learn that training prior to live-fire qualification lacks requisite frequency or sufficient standardization across all commands or weapons types to develop satisfactory proficiency; small arms marksmanship instructors lack the tools, procedures, and training to teach proper shooting techniques and to remediate shooter deficiencies; Navy Security Forces and force protection personnel lack adequate training to enhance proficiency after initial qualification; and the crew-served weapon course of fire does not objectively measure accuracy.

In support of the review's recommendation to address these training shortfalls through an improved small-arms training program, the committee encourages the Navy to proceed in a manner that will utilize synthetic marksmanship training systems that have a proven track record. For example, synthetic small arms training systems utilized by Navy Expeditionary Combat Command, Naval Special Warfare Command, and Naval Health Research Center, and the Joint Multi-National Training Center, are leveraging data collection and metric analysis to improve training efficiency and ensure that training effectiveness consistently transfers to live-fire qualifications and skills sustainment.

The committee notes, however, that the limited objective experiment conducted on behalf of U.S. Fleet Forces Command to determine the most advantageous capabilities of small-arms simulators reported on a single basic skills simulation training system in their inventory and did not evaluate advanced systems used by other commands. As the Navy implements small-arms simulator training systems to meet force protection requirements and hostile intent determination gaps, the committee encourages the Navy to evaluate a broader range of systems including those described above and not be limited to existing basic firearms training and engagement skills training systems and programs of record.

Toward that end, the committee directs the Secretary of the Navy to provide a briefing to the House Committee on Armed Services, not later than

September 30, 2016, regarding the Navy's assessment of advanced, innovative non-program-of-record small-arms weapons and crew-served training systems, including those at the commands mentioned above, and outlining the planned program elements and parameters that will be used to contract for any small-arms simulation system in fiscal year 2017 and future fiscal years.

OTHER MATTERS

Acquisition of Highly Technical Contract Services

The committee notes that in June 2012, the Navy issued Office of the Chief of Naval Operations Instruction 4200.7 addressing services contracting management that included "tripwires" triggering higher level review of specific contracting issues. Among the specific issues for which tripwires were established was the level of proposed contractor labor rates in competitive cost-type and time-and-materials service contracts and individual task orders.

According to the Navy instruction, tripwires were not intended to preclude execution, but instead to require higher level concurrence or notifications before continuing to execute. While the committee is generally supportive of efforts to oversee the cost and performance of contracts for services, the committee is concerned that the manner in which contracting organizations are interpreting this instruction may essentially be imposing a ceiling on labor rates in certain categories. The committee believes this may be occurring due to the unwillingness of lower level managers to seek higher level review and approval of proposed labor rates above those set by the tripwires, even in cases where such a request would be appropriate given the nature of the specific work to be performed. This approach may be affecting the service industry's ability to recruit and retain personnel in labor categories where there is significant competition among private-sector firms for limited numbers of highly qualified personnel, especially cybersecurity specialists.

Therefore, the committee directs the Secretary of the Navy to review the impact of the implementation and practice of the tripwire instruction with respect to labor rates on the ability to achieve contract objectives in areas where access to senior, highly skilled technical support is essential, and for which industry labor rates generally above the levels set by the tripwires are applicable and appropriate. The Secretary shall provide a briefing on his findings to the House Committee on Armed Services by December 1, 2016.

Adoption of Tactical Explosive Detection Military Working Dogs

The committee notes the Tactical Explosive Detection Dog (TEDD) program was established in January 2011 as a temporary, Army-funded program supporting Army Brigade Combat Teams by providing maneuver units with canine assets to mitigate casualties associated with improvised explosive devices. In 2013, U.S. Central Command curtailed the requirement for TEDDs, and the TEDD program

was terminated in February 2014. The Department of the Air Force, the executive agent for all military working dogs, delegated development of a disposition plan for the 229 TEDDs to the Department of the Army, through the Office of the Provost Marshall General (OPMG). The committee recognizes the challenge OPMG had in the disposition of TEDDs due to a limited transition window.

However, the committee is aware of persistent concerns raised by former TEDD handlers regarding their opportunity to adopt the TEDDs. The committee notes that the Department of the Army has, on multiple occasions, examined this issue in a singular fashion, examining a specific handler or TEDD. Despite these reviews, the committee believes the Army has not been sufficiently responsive in addressing generally known challenges in the TEDD adoption process. The committee believes that the Army's reluctance to review the adoption application process holistically to ensure that military working dog handlers were provided the first opportunity to adopt TEDDs failed to meet the intent of military working dog adoption processes in law, instruction, and regulation.

Therefore, the committee directs the Secretary of the Air Force to provide a report to the Senate Committee on Armed Services and the House Committee on Armed Services by August 31, 2016, that should address the following issues:

(1) How TEDD handlers were identified and contacted to verify intent to adopt TEDD military working dogs, including a listing of all TEDD handlers, the method by which they were contacted, the handlers' stated intentions regarding TEDD adoption, and instances of handlers reporting errors in the adoption process;

(2) What steps the Secretary has taken to ensure that all military working dog handlers have visibility into the adoption process of all military working dogs, including TEDDs;

(3) The factors that led to instances in the adoption process of TEDDs where handlers did not have the first opportunity to adopt the TEDD, and how the Secretary intends to prevent future process errors in military working dog adoptions;

(4) Any resource, legislative, or departmental policy changes needed to correct deficiencies in the adoption process; and

(5) The process for selection of a handler for military working dog adoption when more than one handler requests to adopt the military working dog.

Army Explosive Ordnance Disposal

The committee has been closely monitoring proposed changes to the Army's Explosive Ordnance Disposal (EOD) force structure, force modernization, and branch proponentcy for impacts upon capability and capacity to provide scalable and tailorable EOD mission command and EOD forces to conduct counter-improvised explosive devices operations, counter-unexploded ordnance operations, and combating weapons of mass destruction elimination operations in support of the Army and joint force commanders.

The Secretary of the Army has recently informed the committee that the Training and Doctrine Command has established a capability manager for explosive ordnance disposal to integrate EOD force modernization activities across all of the Army's Centers of Excellence. However, the committee remains concerned that the Army has not clearly identified its future branch proponent requirements for an EOD Corps consisting of a fully integrated explosives ordnance disposal, ammunition, and explosives safety basic branch.

Therefore, the committee directs the Secretary of the Army to provide a briefing to the House Committee on Armed Services by December 1, 2016, on the Army's EOD branch. At a minimum, the report shall include:

- (1) EOD officer development and career management program depicting key development assignments and key leadership positions from lieutenant to that of Logistics Corps general officer;
- (2) EOD officer and EOD senior noncommissioned officer (NCO) standard of grade authorization requirements to fill the necessary positions throughout the institutional Army to ensure enduring health and viability of the EOD branch;
- (3) Description of the Army EOD School licensing process of EOD soldiers;
- (4) Identification of joint, interagency, intergovernmental and multinational EOD commissioned officer and NCO positions; and
- (5) A cost-benefit analysis on any proposed realignment or relocation of EOD organization, force structure, training, and branch proponent.

Associated Unit Concept for Terminal High Altitude Area Defense Security Force Manning

The committee recognizes the important mission of the Terminal High Altitude Area Defense (THAAD) deployment in Guam and supports permanent basing as a means of establishing persistent deter-and-defeat capabilities in defense of the homeland and reassuring allies and partners. The committee appreciates the Army's commitment to total force integration and is encouraged by its support of opportunities to leverage cost savings and enable Active-Duty units to fill unique combatant command requirements by incorporating National Guard units into the THAAD security-force mission. Accordingly, the committee encourages the Department of the Army and the National Guard Bureau to continue to work cooperatively to ensure there are adequate resources programmed in fiscal year 2018 to support an Active-Guard associated unit for THAAD security force manning on Guam.

Collaboration with U.S. Universities

The committee notes that in February 2015, the Secretary of Defense announced his goal to build the "Force of the Future" to enable the Department of Defense to maintain a competitive edge by, among other things, attracting the top talent from corporations and universities to serve the nation. One initiative from

this effort is to improve and enhance Department of Defense internship programs in order to increase recruitment at colleges and universities.

The committee encourages the Department to pursue the opportunity to work with U.S. universities to shape certain curricula and programs with the goal of providing specific “whole-of-government” education for potential future Department leaders, emphasizing enterprise thinking, unity of effort, and creative, viable solutions to global issues that affect national security. The committee believes it is important for the Department to leverage this program to attract future talent to the civilian workforce. In return, the Department benefits from placing military and civilian personnel in the Secretary of Defense Corporate Fellows Program and selected academic programs provided by universities.

Therefore, the committee directs the Secretary of Defense to provide a briefing to the House Committee on Armed Services not later than November 1, 2016, on efforts undertaken to encourage universities to offer master's and doctoral level programs in National Security and Strategic Studies, especially in regions where universities could leverage the density of existing joint, inter-organizational, and multinational organizations.

Combat Footwear Survey

The committee recognizes the ongoing efforts of the military services to ensure that all new recruits are issued combat footwear of appropriate size and fit upon entering the military. Proper combat footwear fit not only maximizes comfort but prevents injury and can improve combat effectiveness. The committee report (H. Rept. 114-102) accompanying the National Defense Authorization Act for Fiscal Year 2016 acknowledged the growing number of women in the military and directed the Office of the Secretary of Defense to conduct a study to determine whether the military services were meeting the needs of female service members with regard to proper combat footwear. Upon review of the study report, the committee notes, with concern, that the Army, the largest service in terms of force structure, is the only service not to design combat footwear using lasts designed specifically for women. The study report also noted that the Army's most recent survey questioning whether service members were satisfied with the fit and sizing of combat boots was in 1992.

Therefore, the committee directs the Secretary of the Army to conduct a survey of no fewer than 2,000 female Active Duty and Reserve Component soldiers from a variety of relevant military occupational specialties to determine whether or not they are satisfied with the fit, size, and performance of combat footwear issued to them. In order to establish appropriate comparisons, this study should also undertake, but not be limited to, a comparison of satisfaction rates among male soldiers and among both male and female service members from the other military services.

The committee further directs the Secretary of the Army to provide a briefing to the House Committee on Armed Services not later than September 1, 2016, on the results of the study.

Disabled Veterans Non-Profit Groups

The committee remains concerned that the Department of Defense is not maximizing the talents and efforts of non-profit groups who employ significant numbers of persons with disabilities, including veterans, who make products for the Department as participants in the AbilityOne Program. The committee encourages the Department to continue to explore additional opportunities to utilize the expertise, capability, and capacity of these non-profit groups and incentivize the Department's acquisition workforce to give them increased consideration as contracting solutions when doing so achieves the Department's acquisition objectives.

Disposal of Excess Agriculture-Related Equipment

The committee is aware that the Department of Defense has a disposal process for its excess or unused equipment. Many individuals, including firefighters, state agencies, law enforcement, and private citizens, have access to equipment through this disposal process. The committee believes that some of this equipment might be appropriate for use in agricultural operations, and that veteran-owned farming operations could benefit from greater awareness of what is available. Therefore, the committee directs the Director of the Defense Logistics Agency to provide a briefing, not later than December 1, 2016, to the Committee on Armed Services of the House of Representatives on all agriculture-related equipment disposals for the last five years. The briefing shall include an itemized list of each item disposed, a brief description of each item, the monetary value of each item, and whether the item was transferred to another government entity or a private company or citizen.

End-of-Service Veterinary Care for Military Working Dogs

The committee recognizes that military working dogs serve the nation as extensions of military law enforcement as well as through detection and tracking of drugs, explosives, and personnel threats. After numerous tours, military working dogs are retired from active service and made available for adoption. The committee recognizes that the physical environments in which these military working dogs operate may pose future health challenges for the adopting entity. Therefore, the committee directs the Comptroller General of the United States to provide a briefing to the House Committee on Armed Services not later than November 18, 2016, on the following:

- (1) An assessment of the number of living retired military working dogs and an estimate of their annual veterinary care expenses;

- (2) The extent to which a military working dog's health is impacted by the environment in which the dog served and subsequent costs;
- (3) Options for military working dog post-retirement care; and
- (4) Any other issues the Comptroller General determines appropriate with respect to military working dog veterinary health following retirement.

Flame-Resistant Military Uniform Postures

In the committee report (H. Rept. 113-446) accompanying the Howard P. "Buck" McKeon National Defense Authorization Act for Fiscal Year 2015, the committee directed the military services to provide a report on emerging flame-resistant (FR) technologies for military uniforms and evaluate where these technologies can provide cost-effective protection to a wider range of service members. The committee noted that distribution of flame-resistant uniforms is limited to military units that are preparing to deploy to contingency operations, are currently deployed in contingency operations, and to those serving in certain military occupational specialties. Since that time, the Army and the Marine Corps conducted an initial study and have begun to review additional commercial products for use in varying degrees of FR protection. In light of this, the committee encourages all military services to consider implementing FR uniform protective postures based on an assessment of the threat and the operating environment. The committee does not intend for the services to alter existing protection and reliability requirements for units deployed to contingency operations.

The committee directs the Secretary of the Army, Secretary of the Navy, Secretary of the Air Force, and the Commandant of the Marine Corps to provide a joint briefing to the House Committee on Armed Services by August 15, 2016, that outlines the plan and process, including costs, for providing FR uniform protection postures for all military personnel.

Military Free Fall Course as a Requirement of the U.S. Army Special Forces Qualification Course

The committee is aware that in 2012 the U.S. Army Special Operations Command approved a concept and implementation plan for offering the Military Free Fall (MFF) course to all Special Forces upon completion of the Special Forces Qualification Course (SFQC), but prior to graduation. The committee would like to better understand the addition of the MFF course on Special Forces, including the impact on overall recruiting and retention if successful completion of MFF becomes a requirement for graduating SFQC.

Therefore, the committee directs the Commander of U.S. Special Operations Command to provide a briefing to the House Committee on Armed Services not later than October 1, 2016, on the MFF course, including impacts on readiness if MFF becomes mandatory.

Military Glove System

The committee is aware that the military services currently lack a single glove system effective in a wide variety of climate environments. Modern organizational clothing and individual equipment (OCIE) provide service members with a distinct combat advantage. The committee encourages the services to pursue commercial-off-the-shelf solutions for military handwear and other personal protective equipment (PPE) and OCIE items to ensure that service members are provided with innovative, readily available solutions. Further, the committee supports efforts by the services to support a strong domestic industrial base to ensure that innovative and cost-effective commercial PPE/OCIE items are available in the future.

National Guard Cyber Protection Teams

The committee is aware that the Army National Guard has developed a plan to establish 10 cyber protection teams (CPT) to complement the Army's build for its contribution to the cyber mission force. The committee also understands that decisions relating to the establishment of those teams, and where they would be based, were made late in the budget cycle, and thus were not properly synchronized in the fiscal year 2017 budget request. The committee is aware that the Army National Guard has established three CPTs, but because of the lack of funding in fiscal year 2017, it will not be on track with its schedule for establishing teams this year.

Further, the committee recognizes that these Army National Guard CPTs are not integrated into the Army Cyber Command structure for cyber mission teams. This is unlike the approach the Air Force has taken, which integrates some Air National Guard units as part of its cyber mission force structure. The committee notes that the National Guard brings important capabilities to the Army, including experience and skills from industry experts, and the ability to bring greater outreach and support to States. The committee believes that the Army needs to work more expeditiously to determine and codify the role National Guard forces should take in the cyber domain.

The committee supports the training of the National Guard CPTs planned for fiscal year 2017, and urges the Army, as well as the National Guard, to ensure that projected funding disconnects are resolved in the fiscal year 2018 budget request. The committee also urges Army Cyber Command to finalize and promulgate clear policy about the role of Reserve Component CPTs in the Army's cyber mission build.

National Guard Unit for the Commonwealth of the Northern Mariana Islands

In response to section 515 of the National Defense Authorization Act for Fiscal Year 2014 (Public Law 113-66), the National Guard Bureau (NGB) in August 2015 reported that establishing National Guard units in both the Territory of American Samoa and the Commonwealth of the Northern Mariana Islands (CNMI) is feasible, but "major steps are necessary to reach that end state." Among the

issues raised were the territories' limited ability to recruit, maintain, and sustain units, and that the costing framework to transfer force structure from one State or territory to American Samoa or the CNMI would have an impact on the donor State's or territory's ability to accommodate the NGB's "Essential Ten" homeland capabilities.

With these issues in mind, the committee directs the Secretary of Defense to provide a briefing to the House Committee on Armed Services, not later than February 1, 2017, on how the Department of Defense would establish, maintain, and sustain a National Guard unit in the Commonwealth of the Northern Mariana Islands. At a minimum, the briefing shall include details regarding force structure allocation, recruiting, and funding requirements, including military construction, that would allow the committee to evaluate the cost and overall impact of locating a National Guard unit in CNMI.

Procurement and Inspection of Armored Commercial Passenger-Carrying Vehicles

In a report and briefing to Congress on procurement and inspection of armored commercial passenger-carrying vehicles to transport civilian employees of the Department of Defense, dated August 2015, the Under Secretary of Defense for Acquisition, Technology, and Logistics found that Department of Defense components procure and inspect armored commercial passenger-carrying vehicles in accordance with applicable laws and regulations and that Departmental policy provides components the necessary flexibility to procure armored vehicles to meet mission requirements.

However, the committee has learned that a "presumption of quality" on the part of the General Services Administration, and in the absence of known and clearly understood specifications, calls into question whether the Department's acquisition policies and procedures for the armoring of these vehicles provide appropriate physical protection for Department of Defense civilians. The committee is concerned that the rigor applied to the procurement of armored military vehicles is absent for the procurement of armored commercial passenger-carrying vehicles. The committee questions whether appropriate standards are in place to ensure safety, quality, qualified vendor selection, contract compliance, sustainment, and reliability of armored commercial passenger-carrying vehicles.

Therefore, the committee directs the Comptroller General of the United States to assess the following and provide a preliminary briefing to the House Committee on Armed Services, not later than September 30, 2016, with a final report at a mutually agreed-upon date:

(1) The extent to which DOD components complied with Department of Defense Instruction (DODI) C-4500.51 in procuring armored commercial passenger-carrying vehicles over the past 5 years, including the requirement or specifications for vetting of suppliers, ballistic and blast mitigation protection and inspection, automotive safety, and road performance;

(2) To what extent contracts for armored commercial passenger-carrying vehicles have been awarded over the past 5 years to firms that do not have a valid U.S. security clearance and whether such contract awards are compliant with DODI C-4500.51, including procurements from third-party brokers, both domestic and international, and leased vehicles;

(3) To what extent the Department of Defense has purchased, quarantined, and refurbished armored commercial passenger-carrying vehicles that do not meet contract specifications, and at what cost above the original purchase or lease price;

(4) To what extent the Department of Defense has guidance, policy, and procedures in place to track purchase, acceptance, deployment, and fleet management of armored commercial passenger-carrying vehicles used to transport civilian employees; and

(5) How the protection and security requirements, specifications, processes, and policies for acquiring armored commercial passenger-carrying vehicles to transport civilian employees of the Department of Defense compare with the same for uniformed military personnel and compare with those for employees of the U.S. Department of State.

Public-Private Partnerships for Cyber Education and Training

The committee is aware of the efforts of the Reserve Components of the military services, including the National Guard, to develop cyber protection teams that can leverage the best attributes, authorities, and capabilities of both civilian and military cyber practitioners. The committee recognizes that Reserve Component cyber personnel often bring a wealth of experience from their civilian life, coupled with the additional training and discipline instilled by military service. The committee is concerned, though, that the current training pipeline is a major bottleneck to fully manning and training cyber mission teams. This problem is exacerbated by the fact that current active units are prioritized in the current schoolhouses, which already have limited available training billets.

The committee believes that the Department of Defense should look at additional ways to diversify the training pipeline available to all cyber personnel to help relieve that bottleneck. Elsewhere in this report, the committee encourages the Department to use Reserve Officer Training Corps programs, as well as senior military academies, to develop and implement common curricula that can satisfy the joint training standard. Also elsewhere in this report, the committee directs the Department of Defense to review its cyber training equivalency process to help improve the ability to give cyber personnel credit for other experience, certifications, or commercial training they may have received that meets the joint training standard. The committee also encourages the Department to look at additional ways to build public-private partnerships with academia, industry, and non-profit institutions as a way to develop additional training curricula equivalent to the joint standard to diversify that pipeline.

Retaining Critical Skills and STEM Capabilities During Headquarters Downsizing

The committee notes that the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114-92) directed the Secretary of Defense to achieve not less than a 25 percent reduction in headquarters, administrative, and support activities of the Department of Defense during the period beginning with fiscal year 2015 and ending with fiscal year 2019. The committee remains concerned that these cuts may result in the loss of critical capabilities across the Department of Defense and military services, particularly in the science, technology, engineering, and mathematics (STEM) competencies. As demonstrated by section 1105 of this Act, the committee has made clear its intention that the Department of Defense and the military services recruit, hire, and retain the Nation's top scientific and engineering talent. It would, therefore, be imprudent for the military services and the Department to achieve headquarters, administrative, and support activities reductions by reducing the number of STEM employees just because their workplace resides within a headquarters function.

Public Law 114-92 requires the Secretary, as part of the annual budget submission for the Department of Defense, to include a report describing and assessing the progress of the Department in implementing the headquarters reduction plan for fiscal years 2017, 2018, and 2019. As part of this reporting requirement, the committee directs the Secretary of Defense to include a detailed assessment on the downsizing of employees, including through attrition, by component or military service that are considered STEM employees, and the operational impact on the Department of Defense or military service of that loss.

Further, as the committee has stated in past House reports, any reduction in personnel should not be implemented as an across-the-board cut, but rather should be strategically designed to retain critical functions, capabilities, and skillsets—including, but not limited to the depots, the arsenals, the ammunition plants and the acquisition workforce—and to eliminate unnecessary or redundant functions or skillsets that do not benefit or support mission requirements.

The committee directs the Secretary of Defense and the Secretaries of each of the military services to provide a report to the Committees on Armed Services of the Senate and the House of Representatives not later than February 15 of calendar years 2017, 2018, and 2019, on any depot, arsenal, or ammunition plant position that has been reduced as a result of headquarters downsizing. The report should include the position description, critical skills required for that position, and justification for the reduction. The report should also provide details on any gaps in compliance with section 2464 of title 10, United States Code, at the facility from which a position was cut or gaps in critical skill sets at an arsenal.

The Role of the National Security Contractor

The committee recognizes that government contractors provide critical subject-matter and engineering expertise, as well as help to ensure program continuity across the spectrum of national security and intelligence programs. The committee acknowledges that the Department of Defense and the Intelligence

Community will continue to work with these essential partners to ensure national security. At the same time, the committee reminds these agencies of their responsibility to remain vigilant with taxpayer funding by maintaining appropriate levels of contract oversight and regular review.

LEGISLATIVE PROVISIONS

SUBTITLE A—AUTHORIZATION OF APPROPRIATIONS

Section 301—Authorization of Appropriations

This section would authorize appropriations for operation and maintenance activities at the levels identified in section 4301 of division D of this Act.

SUBTITLE B—ENERGY AND ENVIRONMENT

Section 311—Rule of Construction Regarding Alternative Fuel Procurement Requirement

This section would amend section 526 of the Energy Independence and Security Act of 2007 (Public Law 110–140) to clarify that this section shall not be construed as a constraint on any conventional or unconventional fuel procurement necessary for military operations.

SUBTITLE C—LOGISTICS AND SUSTAINMENT

Section 321—Pilot Program for Inclusion of Certain Industrial Plants in the Armament Retooling and Manufacturing Support Initiative

This section would authorize a 5-year pilot program to allow for government-owned, contractor-operated (GOCO) industrial plants to participate in the Armament Retooling and Manufacturing Support (ARMS) Initiative (10 U.S.C. 4551-4555).

The committee notes the ARMS Initiative currently applies to GOCO ammunition manufacturing facilities and depots. The committee understands the ARMS Initiative was created to allow the Army to rent portions of its ammunition plants that are not being used in production to commercial companies. The committee notes the revenues from the property rental are used to help pay for the operation, maintenance, and environmental cleanup at the facilities; these savings in overhead cost lower the production cost of the goods manufactured, as well as fund the environmental cleanup at no cost to the government.

In the committee report (H. Rept. 113-446) accompanying the Howard P. “Buck” McKeon National Defense Authorization Act for Fiscal Year 2015, the committee required the Secretary of the Army to provide a report on manufacturing infrastructure investment for GOCO Joint Systems Manufacturing Center-Lima

(JSMC-L), in an effort to obtain a comprehensive analysis of the operational costs associated with this facility, and to encourage the Army to explore more effective and efficient operating models at JSMC-L. The report recommended amending the ARMS Initiative to include GOCO industrial plants as a means to improve operating efficiency. The committee believes that this recommendation warrants further consideration, and believes the authorized pilot program should provide the opportunity to gain a better understanding of ways to improve operating efficiencies at JSMC-L. This provision does not authorize GOCO industrial plants' use of Army Working Capital Funds.

Section 322—Private Sector Port Loading Assessment

This section would require the Secretary of the Navy to conduct a quarterly assessment of the private sector port loading for Norfolk, Virginia; Mayport, Florida; San Diego, California; Puget Sound, Washington; and Pearl Harbor, Hawaii. This section would also require the Secretary to brief the Committees on Armed Services of the Senate and the House of Representatives on the assessments by October 1, 2016, and to provide quarterly updates through September 30, 2021.

Section 323—Limitation on Availability of Funds for Defense Contract Management Agency

This section would limit funding for the Defense Contract Management Agency (DCMA) until the DCMA Director provides a briefing to the Committees on Armed Services of the Senate and the House of Representatives on the agency's plan to foster the adoption, implementation, and verification of the Department of Defense's revised Item Unique Identification policy across the Department and the defense industrial base.

SUBTITLE D—REPORTS

Section 331—Modification of Annual Department of Defense Energy Management Reports

This section would modify subsection (a) and (b) of section 2925 of title 10, United States Code, to modify and extend, with a sunset date of January 31, 2021, the "Annual Report Related to Installations Energy Management" report and the "Annual Report Related to Operational Energy" report. This amendment would supersede section 1080 of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114-92).

Section 332—Report on Equipment Purchased from Foreign Entities and Authority to Adjust Army Arsenal Labor Rates

This section would require the Secretary of Defense to submit a report to the congressional defense committees 30 days after the submission of the President's budget request for fiscal year 2018 on weapons, weapons systems, components, subcomponents, and end-items purchased from foreign entities that could be manufactured domestically in depots or arsenals as well as a plan for moving that workload into such arsenals or depots. It also would authorize the establishment of a 2-year pilot program permitting Army arsenals to adjust their labor rates charged to customers based upon changes in workload and other factors. Finally, this section would also require the Secretary of Defense to provide a briefing to the Committees on Armed Services of the Senate and the House of Representatives by May 1, 2019, that assesses certain information related to arsenal labor rates.

SUBTITLE E—OTHER MATTERS

Section 341—Explosive Ordnance Disposal Corps

This section would amend section 3063 of title 10, United States Code, to add Explosive Ordnance Disposal Corps to the list of Army branches.

Section 342—Explosive Ordnance Disposal Program

This section would establish a joint Explosive Ordnance Disposal (EOD) program, with the Navy as executive agent for the Department of Defense, to coordinate and integrate research, development, and procurement for EOD defense programs. This section would also require the Secretary of Defense to conduct a review of the management structure of the program and to brief the results of the review to the Committees on Armed Services of the Senate and the House of Representatives by May 1, 2018.

Section 343—Expansion of Definition of Structures Interfering with Air Commerce and National Defense

This section would amend section 44718 of title 49, United States Code, to authorize the Secretary of Transportation to include the interests of national security, as determined by the Secretary of Defense, in the Secretary's aeronautical studies and reports required under this statute.

Section 344—Development of Personal Protective Equipment for Female Marines and Soldiers

This section would require the Army and Marine Corps to develop a joint acquisition strategy to provide more effective personal protective equipment and organizational clothing and equipment to meet the specific and unique requirements for female Marines and soldiers.

Section 345—Study on Space-Available Travel System of the Department of Defense

This section would require the Secretary of Defense to conduct a study of the space-available travel system and to provide the results of such a study to the congressional defense committees within 180 days after entering into a contract with a federally funded research and development center for the purposes of conducting such a study.

Section 346—Supply of Specialty Motors from Certain Manufacturers

This section would exempt certain small business manufacturers of specialty motors from the requirements of section 431.25 of title 10, Code of Federal Regulations, regarding energy conservation standards.

Section 347—Limitation on Use of Certain Funds Until Establishment and Implementation of Required Process by which Members of the Armed Forces May Carry Appropriate Firearms on Military Installations

This section would limit the obligation and expenditure of 15 percent of the funds authorized to be appropriated for Operation and Maintenance, Defense-Wide, for the Office of the Under Secretary of Defense for Policy for fiscal year 2017, until the Secretary of Defense establishes and implements a process by which members of the Armed Forces may carry an appropriate firearm on a military installation, as required by section 526 of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114-92).