



United States House of Representatives

HOUSE ARMED SERVICES COMMITTEE **DEMOCRATS**

Adam Smith, Ranking Member

Fiscal Year 2018 National Defense Authorization Act Summary

The FY2018 NDAA authorizes approximately \$626.4 billion in base budget authority and roughly \$65.7 billion for Overseas Contingency Operations (OCO) for a total \$692.1 billion in discretionary budget authority. The base budget authority includes roughly \$605.5 billion for the Department of Defense (DOD), roughly \$20.6 billion for the defense-related activities of the Department of Energy (DOE), and \$300 million for other defense-related activities.

The amounts authorized to be appropriated by the FY2018 NDAA support an overall defense discretionary topline of \$699.9 billion for FY2018 (roughly \$634.2 billion in base budget authority and \$65.7 billion for OCO).

Key Provisions

Raises military pay by 2.4%, \$200 million above the President's request for an increase of 2.1%.

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Includes a comprehensive package of measures strengthening deterrence and unity against Russian aggression, so that the United States is adequately prepared to respond to Russia's campaign to undermine democratic values and U.S. alliances and partnerships worldwide. This includes strategies to understand Russia's strategic objectives, the threat it poses, and a plan to counter Russian malign influence.

Strengthens U.S. cyber posture and efforts to counter information operations of adversaries, like Russia, and conduct effective U.S. and allied information operations.

Strengthens Congressional oversight of sensitive cyber military operations and cyber warfare tools and capabilities.

Retains the landmark House provision recognizing that climate change is a direct threat to U.S. national security interests and requires a report from DOD on the vulnerabilities to military installations and combatant commander requirements resulting from climate change.

Makes investments to fill genuine military readiness gaps by providing \$3.6 billion in additional operations and maintenance funds for the Army, Navy, Marine Corps, and Air Force to increase training, spare parts, facility and equipment maintenance, and other readiness enablers.

Discrimination

Does not include any provisions banning transgender service members from military service or limiting transgender service members' ability to receive health care.

Energy and Environment

Includes a provision that expresses the sense of Congress that climate change is a direct threat to national security. The provision also requires the Secretary of Defense to submit a report on vulnerabilities to military installations and combatant commander requirements resulting from climate change.

Does not include several provisions related to the management of Federal lands, including indefinite military land withdrawals and prohibitions on designating National Heritage Areas.

Includes a number of provisions to support the Defense Department's efforts to increase energy resiliency and the energy security of military installations in the United States and overseas.

Includes a provision that requires the Secretary of Health and Human Services, in consultation with the Secretary of Defense, to carry out a study on the health implications of PFOS and PFOA contamination of drinking water and ground water at current and former military installations.

Includes an additional \$72 million related to PFOS/PFOA remediation at current and former military installations.

Sexual Harassment and Sexual Assault

Enhances the tools available to prosecute perpetrators of nonconsensual sharing of intimate images by adding a new provision to the Uniform Code of Military Justice specifically prohibiting these crimes.

Expands special victims counsel training to require training on the unique challenges faced by male victims of sexual assault.

Expands sexual trauma counseling and treatment for members of the reserve components.

Expands the Sexual Assault Prevention and Response (SAPR) Program, requiring those in the delayed entry program to receive sexual assault prevention training.

Expands sexual trauma counseling and treatment for members of the Reserve components.

Includes a new requirement to include reports of sexual assaults committed by service members against their spouses and other dependents in the annual Sexual Assault Prevention and Response Office (SAPRO) Report.

Requires that incidents involving nonconsensual distribution of private sexual images be included in the annual SAPRO reports.

Contracting, "Buy America," Labor, and Workplace Safety

Drops all but one of the Senate bill's "Anti-Buy America" provisions. Only retains removing mandatory domestic sourcing of chemical weapon antidotes and solar panels.

Increases the Simplified Acquisition Threshold and Micro-Purchase thresholds to improve opportunities for small businesses.

Does *not* include the reinstatement of public-private competitions for the conversion of Department of Defense functions to contractors; also known as A-76. While there was harmful language on this issue in the Senate version of the NDAA, the Conferees successfully removed it during conference negotiations.

Requires GAO to report to Congress on the health and safety records of DOD contractors, in order to determine if companies awarded contracts of more than \$10 million are abiding by workplace safety laws. This is an important step forward in workplace safety and will inform future debates on the issue, and highlight violations for the Department of Defense.

Requires DOD to improve oversight of the billion-dollar service contracting industry, which is the fastest growing part of DOD expenditures. The conference report requires DOD to analyze spending patterns and projected future requirements for contracted services and use this analysis to inform future decisions on services acquisition. This is an important step forward as it requires DOD to start budgeting for service contracting.

The conference report adds important limitations to the government-wide “e-commerce” provision to protect small and disadvantaged businesses of all types (Ability One, Small Businesses, Prison Industries, etc.). Furthermore, it phases in the program to allow DOD to right-size the expansion of this authority and limits the marketplace to contracts below \$250,000.

Reauthorizes the acquisition workforce personnel demonstration project (AcqDemo) for 5 years instead of making the program permanent for DOD civilian acquisition professionals. The Senate version of the NDAA would have made the program permanent, but the Conferees made the extension temporary and worked to address program inconsistencies and serious concerns.

Extends the authorization of the NNSA pay-and-performance system for 10 years, but does not make it permanent.

Extends authorization of the Advisory Board on Toxic Substances and Worker Health.

Includes a provision that originated in the Senate establishing a pilot program on enhanced personnel management system for cybersecurity and legal professionals in the Department of Defense.

Medical Research

Does *not* include Senate language that would have prevented DOD from using Congressionally Directed Medical Research funds to conduct research to cure breast cancer, traumatic brain injury, or many other diseases, of which the majority have a link to military readiness.

Immigration

Directs the Secretary of Defense to ensure legal permanent residents who are serving in the military are informed of the availability of naturalization through military service.

Authorizes Military Accessions Vital to the National Interest (MAVNI) recruits to be extended under the Department of Defense's Delayed Entry Program for up to 365 days if the Secretary of Defense determines an extension is required to perform an adequate background and security review of the program. This is a one-year authority only.

Includes an important immigration provision that will ensure Guam and the Commonwealth of the Northern Mariana Islands are able to get H-2B visas approved for construction workers supporting the military buildup in Guam and the Commonwealth of the Northern Mariana Islands.

Guns

Scales back language from the House bill that would have directed the open-ended transfer and public sale of more than 100,000 excess military pistols. The conference agreement limits the authority to only 2 years and a maximum of 20,000 pistols. Additionally, the conference agreement requires reports to be done by a Federally Funded Research and Development Corporation (FFRDC) and the Government Accountability Office (GAO) on the Civilian Marksmanship Program to assess future transfers of excess firearms to the Corporation.

Iraq and Syria

Supports ongoing efforts to defeat the Islamic State of Iraq and Syria.

Maintains a high degree of Congressional oversight over the Syria train and equip program and requires the DOD to identify any material misuses of such assistance with every reprogramming request submitted to Congress.

Requires the President to submit a report on a comprehensive strategy for Syria to include diplomatic, military, and humanitarian assistance efforts.

Afghanistan

Establishes a goal of \$41 million to be obligated to support women in the Afghan National Defense and Security Forces.

Provides authorized funding for 3,500 Special Immigration Visas for Afghan nationals.

Permits the DOD to establish permanent positions to oversee human rights vetting of Afghan National Defense and Security Forces.

Additional Defense Policy Provisions

Requires the President to report to relevant Congressional committees on the legal and policy frameworks for the U.S. use of military force and related national security operations.

Includes a provision establishing requirements for DOD to report to Congress on non-combatant casualties as a result of military operations and strikes.

Continues and enhances security assistance to Ukraine, authorizing \$350 million for FY18 while requiring defense institutional reforms such as actions to address corruption.

Requires that DOD, the State Department, and USAID jointly develop an anti-corruption strategy for reconstruction efforts associated with contingency operations.

Drops House bill language prohibiting the destruction of non-treaty compliant cluster munitions.

Reinforces security relationships with a wide variety of allies and partners in the Indo-Asia-Pacific region, including Japan, South Korea, India, Australia, and Taiwan.

Requires DOD to appoint a Cultural Heritage Protection Coordinator to facilitate U.S. compliance with international norms.

Adds a 3-year sunset and privacy protections to new anti-drone authority for DOD to use to protect certain DOD mission areas.

Removes provisions in the House-passed bill that would have placed limitations on U.S. activities in Yemen in order to prevent the United States from becoming involved in the Yemeni civil conflict.

Nuclear Weapons and Arms Control

New START Treaty

Drops the restriction on funding for New START Treaty extension.

INF Treaty

Drops the House bill requirement to nullify the INF Treaty 15 months after enactment, in favor of a fence on funds until FY17 NDAA-mandated sanctions are implemented, and requires a plan for additional sanctions on Russia tied to INF Treaty violations.

Plan for reducing risk of miscalculation that could lead to nuclear war

Statement of managers requires a plan to reduce the risk of unintended consequences and miscalculation that could lead to nuclear war, and encourages dialogue with Russia, China, and North Korea to reduce this risk.

Detention Facility at Guantanamo Bay, Cuba (GTMO)

The conference report perpetuates detention operations at GTMO by renewing prohibitions on transfers of GTMO detainees to the United States, without exception for temporary transfers for emergency medical purposes, and construction and modification of facilities in the United States to house GTMO detainees.

BRAC

Does not authorize a new Base Realignment and Closure (BRAC) round.

Subcommittee Portions

Military Personnel Provisions

Raises military pay by 2.4%, \$200 million above the President's request for an increase of 2.1%.

Increases the end strength of all Services commensurate with the administration's request, with additional increases for the active Army by 7,500, the Army National Guard by 500, the Army Reserve by 500, and the Marine Corps by 1,000.

Does not include Senate language that would have prevented DOD from using Congressionally Directed Medical Research funds to conduct research to cure breast cancer, traumatic brain injury, or many other diseases, of which the majority have a link to military readiness.

Requires a study on safe opioid prescribing practices for the military.

Strikes the Senate provision that would limit the reduction of the housing allowance for dual military couples.

Extends survivor benefits for approximately 62,000 widows who are disadvantaged by the concurrent receipt laws of the Survivor Benefit Plan and the Dependency Indemnity Compensation by ensuring the Special Survivor Indemnity Allowance (SSIA) is extended permanently. Although it does not completely remedy the concurrent receipt penalty, it allows widows to continue to receive SSIA without worry of the authority expiring.

Directs the Secretary of Defense to ensure legal permanent residents who are serving in the military are informed of the availability of naturalization through military service.

Authorizes Military Accessions Vital to the National Interest (MAVNI) recruits to be extended under the Department of Defense's Delayed Entry Program for up to 365 days if the Secretary of Defense determines an extension is required to perform an adequate background and security review of the program. This is a one-year authority only.

Requires a mental health assessment for service members before the transition out of the military.

Increases funding to \$50 million in DOD Impact Aid for schools with large numbers of military-connected students.

Expands special victims counsel training to require training on the unique challenges faced by male victims of sexual assault.

Enhances the tools available to prosecute perpetrators of nonconsensual sharing of intimate images by adding a new provision to the Uniform Code of Military Justice specifically prohibiting these crimes.

Requires that incidents involving nonconsensual distribution of private sexual images be included in the annual SAPRO reports.

Expands the Sexual Assault Prevention and Response Program, requiring those in the delayed entry program to receive sexual assault prevention training.

Expands sexual trauma counseling and treatment for members of the Reserve components.

Includes a new requirement to include reports of sexual assaults committed by service members against their spouses and other dependents in the annual Sexual Assault Prevention and Response Report.

Authorizes hospice care services for eligible beneficiaries under the age of 21 that may be using other health care services or hospitalization for the same medical condition.

Improves the process for consideration of former service members' discharge upgrade requests by requiring boards to consider non-military medical evidence and requiring liberal consideration of evidence relating to post-traumatic stress or traumatic brain injury.

Provides for direct hire authority for Department of Defense childcare service providers for DOD child development centers to help alleviate the shortage of providers.

Authorizes the services to reimburse a service member up to \$500 for a spouse's expenses related to obtaining licensing or certification in another state because of a military move.

Requires the Department of Defense to conduct a comprehensive review of the Defense Officer Personnel Management Act (DOPMA) and Reserve Officer Personnel Management Act (ROPMA) to identify deficiencies in the law and what steps the Department of Defense can take within existing authorities to improve officer career management. The important analysis required by this report will help inform Congress as to whether DOPMA and ROPMA reform is needed.

Intelligence and Emerging Threats Provisions

Cybersecurity and Cyber Operations

Fully funds cybersecurity and cyberspace operations at \$8 billion.

Strengthens U.S. cyber posture and efforts to counter information operations of adversaries, like Russia, and conduct effective U.S. and allied information operations.

Includes a provision regarding Department of Defense integration of information operations and cyber-enabled information operations.

- Mandates an Executive Agent be named by the Secretary of Defense for integration of information operations and cyber-enabled information operations.
- Requires DOD to publish an implementation plan for the Information Warfare Strategy published in June 2016.

Creates a strategic red team focused on offensive cyber systems; long-range strike systems; nuclear deterrent systems; national security systems; and DOD critical infrastructure.

Allows for states to participate in cyber exercises to assess cyber security support to election systems.

Prohibits government organizations from using any products developed by Kaspersky Lab.

Includes a provision setting standards for Department of Defense Notification Requirements to Congress for Sensitive Cyber Military Operations that have effects outside areas of active hostilities.

Requires the Department of Defense to conduct a Cyber Posture Review to ensure a ready force operating under appropriate authorities and policies.

Reinvigorates DOD's Cyber Scholarship Program which will benefit DOD's cyber workforce.

Increases funding for Historically Black Colleges and Universities programs, and grant opportunities for minority women in STEM.

Establishes an entrepreneurial innovative education program, to include support Hacking for Defense and Hacking the Pentagon.

Requires a notification and report on the expenditure of funds for emergency and extraordinary expenses for intelligence and counter-intelligence activities.

Includes a provision that increases support for House Administration in the event of a cyber-attack from other federal agencies.

Includes a provision that originated in the Senate establishing a pilot program on enhanced personnel management system for cybersecurity and legal professionals in the Department of Defense.

Special Operations, Counterterrorism, Directed Energy, and Security Clearances

Includes a provision establishing requirements for DOD to report to Congress on non-combatant casualties as a result of military operations and strikes.

Increases funding for a directed energy demonstration and prototyping program.

Makes permanent the authority for Special Operations Command's Family Support Programs.

Provides limited authority to Special Operations Command for training allies for irregular warfare.

Includes a provision that that would require the Secretary of Defense to take actions to allow the Defense Security Service (DSS) to conduct before October 1, 2020 all personnel background and security investigations adjudicated by the Consolidated Adjudication Facility (CAF) of the Department of Defense (DOD).

Readiness Provisions

Makes investments to fill genuine military readiness gaps by providing \$3.6 billion in additional operations and maintenance funds for the Army, Navy, Marine Corps, and Air Force to increase training, spare parts, facility and equipment maintenance, and other readiness enablers.

Expresses the sense of Congress that climate change is a direct threat to national security. The provision also requires the Secretary of Defense to submit a report on vulnerabilities to military installations and combatant commander requirements resulting from climate change.

Does not include a provision lifting the moratorium on public-private competitions for the conversion of Department of Defense functions to contractors, but does require a GAO report on the health and safety records of DOD contractors to determine if companies awarded contracts of more than \$10 million are abiding by workplace safety laws.

Requires the Secretary of Health and Human Services, in consultation with the Secretary of Defense, to carry out a study on the health implications of PFOS and PFOA contamination of drinking water and ground water at current and former military installations.

Includes an additional \$72 million related to PFOS/PFOA remediation at current and former military installations.

Increases the minor construction threshold to \$6 million per project and provides flexibility for higher-cost locations in the United States and U.S. territories for projects up to \$10 million.

Provides additional flexibility for the Department of Defense to use operations and maintenance funding to replace facilities damaged by natural disasters or acts of terrorism.

Includes a number of provisions to support the Defense Department's efforts to increase energy resiliency and energy security of military installations in the United States and overseas.

Does not include several provisions related to the management of Federal lands, including indefinite military land withdrawals and prohibitions on designating National Heritage Areas.

Includes several provisions related to the organic industrial base. The agreement requires the Secretary of the Army to establish guidance on the process for conducting make-or-buy analysis for Army requirements, including use of the organic industrial base. The agreement also includes

provisions to improve existing biennial reporting requirements on core depot-level maintenance and repair capabilities.

Seapower and Projection Forces Provisions

Authorizes 13 battle force ships, an increase of 5 more than the President's Budget request.

Additionally, authorizes 4 non-battle force ships, including one heavy icebreaker.

Fully funds the *Columbia*-class submarine program.

Fully funds the B-21 Raider program.

Includes multiyear procurement authority for up to 13 *Virginia*-class submarines.

Includes \$698 million for industrial base improvements or efficiencies in support of increased *Virginia*-class submarine production.

Expands the continuous production authority for the National Sea Based Deterrence Fund. The fund will now save an estimated \$2.0 billion as a result of the authorities granted within in it.

Includes multiyear procurement authority for up to 15 DDG-51 class destroyers.

Includes \$1.75 billion for an additional destroyer in FY18.

Includes \$1.55 billion for an additional amphibious ship.

Authorizes 17 KC-46A tanker aircraft, two more than the President's Budget request.

Increases funding for Air Force C-130 modifications.

Tactical Air and Land Provisions

Adds \$273 million for 8 additional Army AH-64 Apache helicopters.

Adds \$108 million for 5 additional Army UH-60M Blackhawk helicopters.

Adds \$354 million for 8 additional Army CH-47 Chinook helicopters.

Adds \$436 million for 64 additional Army HIMARS rocket artillery vehicles.

Adds \$525 million for Army Stryker vehicle upgrades.

Adds \$546 million for Army M1 tank upgrades.

Adds \$577 million for Army Indirect Fire Protection / Avenger systems.

Funds Army WIN-T program at the President's Budget level of \$480 million.

Adds \$15 million for body armor research and development.

Adds \$739 million for 10 additional Navy F/A-18 E/F aircraft.

Adds \$800 million for 6 additional Navy and USMC F-35C aircraft.

Adds \$525 million for 4 additional USMC F-35B aircraft.

Adds \$522 million for 6 additional Navy and USMC V-22 aircraft.

Authorizes 7-year Multiyear Contract for MV-22 aircraft, as requested by DOD.

Adds \$220 million for 7 additional USMC AH-1Z upgrades.

Adds \$200 million for Navy aviation spares.

Adds \$1.2 billion for 10 additional Air Force F-35A aircraft.

Adds \$330 million for F-35 development.

Adds \$80 million for F-35A spares.

Limits F-35 FY18 Follow-On-Development funding pending receipt of a report laying out cost and schedule for the Follow-On-Development program.

Adds \$103 million for Air Force A-10 wing upgrades.

Adds \$127 million for the Air Force Penetrating Counter-Air (PCA) program.

Adds \$250 million for the National Guard and Reserve Equipment Account.

Strategic Forces Provisions

Space

Drops requirement for establishment of a Space Corps, but establishes an Air Force Space Commander with a term of 6 years as the sole entity within the Air Force for space operations, acquisition, and training. This structure would accomplish many objectives sought in creating a Space Corps. Mandates an FFRDC study on requirements and legislation for establishing a Space Corps and drops requirement for a sub-unified space command within STRATCOM.

Provides some flexibility to the Air Force to fund capabilities for an existing or planned launch vehicle, or infrastructure, that is primarily for national security space and designed to meet the requirements for assured access to space.

Authorizes \$15 million to acquire commercial space situational awareness capabilities and requires their use if they can fill existing capability gaps.

Requires a plan on enhancing positioning, navigation, and timing (PNT) capacity, including receiving allied and non-allied PNT signals in order to deter attack on U.S. GPS satellites. Requires and authorizes \$10 million for demonstration of a back-up PNT system.

Delays implementation of restrictions on the use of commercial satellites services from Russian or Chinese-launched satellites until December 2022.

Creates an Air Force space contractor responsibility watch list to enhance contractor accountability.

Missile defense

Requires protection of the Pacific Missile Range Facility's mission and retains the sequenced approach of acquiring a new discrimination radar before considering operationalizing SM3 missiles in Hawaii.

Authorizes \$706 million for Israel missile defense cooperation programs (Iron Dome, Arrow, and David's Sling). This includes increases of \$268.5 million for research and development on a U.S.-Israel Arrow and David's Sling cooperative programs, including an Arrow flight test, and increases of \$120 million each for David's sling co-production and Arrow co-production.

Requires Aegis Ashore anti-air warfare capability, subject to appropriations.

Authorizes DOD to procure 28 additional ground-based interceptors.

Requires test of an SM3-IAA missile by 2020, but retains requirement for a report and implementation of plan on how to address strategic stability concerns.

Requires a new lower-tier air and missile defense sensor by Dec. 2023.

Requires boost-phase missile defense and space-based interceptors, if recommended by the Ballistic Missile Defense Review (BMDR) and when technology is mature.

Requires determination of a location for a continental United States interceptor site, consistent with BMDR recommendation and provides no additional funding in FY18

Arms control treaties

Plan for reducing risk of miscalculation that could lead to nuclear war

Statement of managers requires a plan to reduce the risk of unintended consequences and miscalculation that could lead to nuclear war, and encourages dialogue with Russia, China, and North Korea to reduce this risk.

New START Treaty

Drops the restriction on funding for New START Treaty extension.

INF Treaty

Requires and authorizes funds for development of a conventional INF-range system and countervailing systems; and drops the House requirement to nullify the INF Treaty 15 months after enactment in favor of fencing DOD funds until the sanctions required in section 1290 of the NDAA FY17 are implemented and a requirement for a plan and draft directive for additional

sanctions on Russia (including blocking transactions in U.S. property and prohibiting U.S. visas to persons responsible for Russian INF violations or for senior Russian political figures, and blocking U.S. procurement from such persons).

Open Skies Treaty

Maintains fence on funding a digital sensor pending certification by the Secretary of Defense that the modification of the digital visual imaging systems for the OC-135B Open Skies aircraft will provide superior digital imagery as compared to commercially-available digital imagery, and a certification by the President that he has imposed both treaty violation responses and countermeasures on Russia in response to its treaty violations.

Comprehensive Test Ban Treaty

Restricts U.S. funding for the Preparatory Commission for the Comprehensive Nuclear-Test-Ban Treaty, allowing only funding for the International Monitoring System and disseminating related analysis.

NNSA and Nuclear Weapons

Fully funds nuclear clean-up.

Requires independent cost estimates of the nuclear weapons life extension program or major alternations at each development milestone (6.2, 6.3, 6.4) to inform the NNSA Administrator's decisions.

Allows termination of the MOX project to dispose of excess plutonium from nuclear weapons if an alternative would cost less than half of the MOX construction costs.

Extends the prohibition on development of a mobile Ground-Based Strategic Deterrent by one year, to 2019.

Extends the authorization of the NNSA pay-and-performance system for 10 years, but does not make it permanent.

Authorizes an additional \$150 million for delayed infrastructure repair, maintenance, and recapitalization.

Continues authorization and requires reports related to the feasibility of using low-enriched uranium (LEU) in naval reactors.

Fences funding until a plan on nuclear verification, detection, and monitoring is complete and requires a GAO review, given that report requirements in FY15 and FY17 NDAA were not satisfied.

Retains a plan on further minimizing the use of highly enriched uranium (HEU) for medical purposes.

Requires a report on the Defense Department's contribution to nuclear non-proliferation.

Requires a study by the JASONS scientific advisory group on U.S. nuclear and radiological terrorism prevention.

Extends authorization of the Advisory Board on Toxic Substances and Worker Health.

Modifies the minor construction threshold for plant projects from \$10 million to \$20 million and requires increased transparency.

Retains funding caps on nuclear weapons dismantlement.

Retains the requirement for a design competition for a new nuclear weapon, despite the lack of an NNSA requirement for such a competition.

Requires certain certifications for expanding plutonium capabilities, and identification by NNSA of a preferred alternative. Imposes a preferred solution of modular facilities at Los Alamos if the NNSA preferred alternative does not meet Congressional and military requirements.

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