



United States *House of Representatives*

HOUSE ARMED SERVICES COMMITTEE **DEMOCRATS**

*Adam Smith, Ranking Member*

## **Final Text Summary of the National Defense Authorization Act for Fiscal Year 2023**

For 63 consecutive years, the National Defense Authorization Act (NDAA) has served as the foundation for our national security priorities, fulfilling Congress' sacred obligation to provide for the common defense of the American people. The NDAA process has been and continues to be an example of how Congress should function — passing legislation in our respective chambers and working in a collaborative, bipartisan, and bicameral way to find common ground, reach compromise, and work out our policy differences all in support of our national defense.

First and foremost, the FY24 NDAA reflects Democrats' commitment to fighting for continued investment in the core of our national defense: service members, civilian workers, and their families; allies and partners; innovation and technology; our domestic industrial base; and military readiness.

To ensure we can continue to recruit and retain the most talented and diverse military and civilian workforce we need, the FY24 NDAA supports the proposed 5.2% pay raise for service members, strengthens the civilian workforce, and supports military spouses and families with investments in housing, child care, career opportunities, health care, and other quality of life needs. This year's NDAA authorizes significant investments in child development centers, including \$301 million in military construction for new child development centers and \$60 million in additional funds for planning and design to accelerate future child development center replacements, and a combined \$70 million for educational agencies with military dependent students and that serve children with severe disabilities, respectively.

The FY24 NDAA reaffirms our commitments to allies and partners, sending a clear message to the world that the United States can be counted on to fulfill its promises and duty. It resources both the European Deterrence Initiative and the Pacific Deterrence Initiatives and it enables key pillars of AUKUS, including authorizing the transfer of up to three VA class submarines and the creation of a fund that will allow Australia to give over \$3 billion to the U.S. to enhance our submarine industrial base.

The FY24 NDAA also continues to invest in innovation, technology, and modernization as well as our domestic industrial base and military readiness. As part of these efforts, it maintains rigorous oversight and, where appropriate, it authorizes the divestment of legacy programs. It also authorizes a record \$150 million for Historically Black Colleges



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and Universities (HBCUs), continuing efforts to broaden the innovation base and invest in historically underserved communities.

In addition to what is in this year’s bill text, it’s important to note that numerous controversial provisions were not included in this bipartisan compromise. Efforts to attack fundamental rights, such as access to reproductive health care and gender-affirming care for service members and their dependents, and efforts to block Biden Administration Executive Orders needed to ensure military resilience and readiness in the face of the ongoing climate crisis were excluded from the final agreement.

Finally, the FY24 NDAA authorizes \$874.2 billion in discretionary spending, equal to the Biden-Harris Administration’s request for national defense across the DoD and parts of the Department of Energy and other agencies and builds upon the administration’s efforts to invest in the American people and our diversity, restore U.S. alliances and partnerships, and strengthen our country’s global competitiveness while providing for the common defense.

**TABLE 1: FY24 NDAA Funding Levels**

<b>Budget Item</b>	<b>Amount (in billions of dollars)</b>
DoD Discretionary Base	841.4
DoE Discretionary Base	32.4
Defense-Related Activities	.4
<b>FY24 NDAA Discretionary Topline*</b>	<b>874.2*</b>

\*Does not include authorizations outside of HASC jurisdiction and other adjustments

## **Summary of FY24 NDAA Provisions**

### **INVESTMENTS IN PEOPLE**

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Democratic priorities in this year’s NDAA are defined by the enduring belief that people—the workers powering America’s defense industrial base, the civil servants across the DoD working tirelessly to protect our country, the scientists and researchers



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building technologies of the future, and the service members and their families making enormous sacrifices every day so that we are safe—are at the heart of America’s defense.

To ensure we continue to recruit and retain the diverse and talented people needed to provide for our national defense, this year’s NDAA addresses issues that impact the quality of life of service members, the civilian workforce, and military families. It includes pay and benefit improvements, such as a 5.2 percent pay raise for service members and authorizing the Secretary of Defense to pay junior enlisted members a monthly bonus as economic conditions dictate. It also makes significant investments in military family housing, child development centers, and the replacement of failing unaccompanied housing. It includes support for child care and military spouses so that military families, who also sacrifice, can grow and thrive.

The FY24 NDAA increases the number of service members and military families who may qualify for the Basic Needs Allowance (BNA) by authorizing the Secretaries of the military departments to exclude the Basic Allowance for Housing (BAH) from their gross household income in certain instances. The BNA helps military households better afford basic needs. It also improves the calculation of the BAH for junior enlisted servicemembers.

The FY24 NDAA establishes parental leave parity for Reserve Component service members; authorizes dual BAH for Reserve Component service members during training and extends the period of eligibility for health benefits of survivors of Reserve Component service members. For civilian workers and federal employees who are current or former service members, benefits include increasing the amount of leave that civilian mariners can earn per pay period and considering military service when determining a federal employee’s eligibility for Family and Medical Leave.

And the FY24 NDAA provides access to commissaries and Morale, Welfare, and Recreation (MWR) programs for remarried Gold Star Spouses.

### **Health Care Needs**

Health care improvements in this year’s NDAA address the need for increased access to mental and physical health care, as well as reducing out of pocket costs and expanding delivery of health care benefits. For example, it authorizes the waiver of cost-sharing requirements for the first three outpatient mental health visits each year for beneficiaries in the active-duty family member category and in the TRICARE Young Adult program. It also authorizes access to military dental treatment facilities at certain



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remote or isolated locations for military dependents. And it requires a review of medical resources supporting personnel assigned to operational missions in Japan and Guam.

The ongoing opioid epidemic continues to wreak havoc with tragic results for Americans everywhere and can present unique challenges for service members and their dependents. This year's NDAA requires a study on opioid alternatives and reporting on service member overdoses while expanding the availability of Naloxone for service members and their families. It expands treatment for service members suffering from specific conditions by establishing a program that allows participation in clinical studies using qualified psychedelics and plant-based alternative therapies.

Finally, it authorizes licensed mental health professionals contracted or employed by the Department of Defense to provide non-medical counseling services without regard for their geographic location and increases transparency with respect to medical malpractice claims process by members of the uniformed services.

### **Child Care and Military Spouses**

Ensuring the loved ones of service members are supported is critical to ensuring mission success and addressing recruiting and retention challenges. This year's FY24 NDAA increases the target level funding for military child care and requires the DoD to develop an outreach campaign so beneficiaries better understand how to get on waiting lists for military child care availability and monitor their progress. It authorizes \$50 million for assisting local educational agencies with military dependent students, and \$20 million for local education agencies that serve military children with severe disabilities. And it authorizes significant investments in child development centers, including \$301 million dollars in military construction for new child development centers and \$60 million in additional funds for planning and design to accelerate future child development center replacements.

To ensure military spouses can pursue their career goals and the success of their families, the FY24 NDAA expands the eligibility for reimbursement for qualified licensure, certifications, and business relocation costs when a spouse transfers locations, transfers from active duty to reserves, or is placed on temporary disability retired list; and it further authorizes Student Loan Deferral for dislocated military spouses.

### **Infrastructure Needs**

Service members and their families not only deserve safe and adequate housing for their health and well-being, and to ensure readiness and good morale. The FY24 NDAA



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makes significant investments in infrastructure projects for military family housing and the replacement of poor and failing unaccompanied housing. It enacts numerous GAO recommendations to improve both family and unaccompanied housing. Specifically, it authorizes \$1.5 billion in investments for military family housing, adds \$205 million to the barracks replacement fund, and authorizes the investment of \$392 million for construction, planning, and design of barracks and dormitories across the defense enterprise.

In addition to these investments, it requires compliance of landlords with the Military Housing Privatization Initiative Tenant Bill of Rights, establishes a Housing Working Group within the Office of Military Family Readiness Policy to review and make recommendations to the DoD regarding policies for privatized military housing, and requires the annual Status of Forces survey to include questions on housing satisfaction and affordability.

### **Transitioning Service Member Needs**

Ensuring service members continue to succeed as they transition from military to civilian life is equally important. This year's NDAA strengthens programs such as the SkillBridge Program, which provides valuable civilian work experience to service members nearing the end of their service, and expands and extends the Troops to Teachers Program, which helps service members and veterans become certified and employed as teachers in K-12 schools. The Troops to Teachers Program not only helps transitioning service members looking for their next fulfilling career opportunity, it also benefits schools and students.

### **Strengthening Civilian Personnel**

Having a strong, civilian workforce is essential to our national defense and requires DoD to remain competitive with the private sector by focusing on quality life issues ranging from paid family leave to increased allowances and benefits.

Specifically, the FY24 NDAA considers military service when determining family and medical leave eligibility for federal employees under the Family and Medical Leave Act of 1993. It extends the DoD's authority to grant allowances, benefits, and gratuities to civilian personnel on official duty in a combat zone. It consolidates Direct Hire Authorities for critical positions to increase onboarding of new civilian employees while it extends Direct Hire Authorities at defense industrial bases and shipyards for three years. It also expands the noncompetitive appointment authority to spouses of DoD civilian personnel if the civilian has been transferred to another duty station.





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Additionally, the FY24 NDA ensures Navy civilian personnel assigned to Guam are eligible for a living quarters allowance, a crucial issue in the wake of typhoon Mawar that destroyed huge swaths of the island's infrastructure earlier this year.

## **INVESTMENTS IN DEFENSE INDUSTRIAL BASE**

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The FY24 NDAA continues our commitment to building on federal investments in military readiness and our defense industrial base by expanding the Buy America Act, which requires federal agencies to procure domestic materials and products. This provides economic benefits for hardworking Americans and American industry in the face of inflation challenges and barriers that other countries employ to exclude foreign competition for their own benefit.

Specifically, it requires any new Major Defense Acquisition Program (MDAP) to be compliant with the Buy America program, with exceptions for qualifying countries. It also includes a provision that would add Australia and the United Kingdom to the list of countries that are considered domestic sources, allowing for direct investment by DoD into areas such as critical minerals and rare earth elements that do not exist in the U.S. And it includes a provision that would modify the multi-year procurement authority statute to add industrial base stability to the criteria for what allows a program to qualify for a multi-year contract.

The FY24 NDAA also supports the defense industrial base by expanding authority to replenish stocks of equipment provided to Ukraine, Israel, or Taiwan. This will both help ensure our continued readiness and modernization.

## **INVESTMENTS IN ENVIRONMENT AND ENERGY**

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As more and more military facilities and defense communities face continued challenges related to the climate crises, the FY24 NDAA includes numerous provisions designed to promote more energy efficient practices and lessen environmental impacts while specifically focusing on threats to the environment and the health of service members, including PFAS and burn pits.

The FY24 NDAA expands the list of eligible energy projects for consideration under the Installation Energy Resilience Pilot Program. It extends access to environmental restoration programs funds to ensure all defense communities have equal access to money for environmental cleanup for PFAS. It also creates a prize program for innovations in PFAS destruction technologies, broadens the availability of technical assistance for communities dealing with DoD-related contamination, and improves and



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codifies the Sentinel Landscapes Partnership, which allows the Department of Defense to increase conservation efforts and prevent encroachment around military installations.

Additionally, the FY24 NDAA seeks to ensure that acquisition programs incorporate energy conservation measures where possible by elevating the decision-making authority to the Under Secretary of Defense for Acquisition and Sustainment and requires the Under Secretary of Defense to submit a report on incinerators and waste-to-energy waste disposal alternatives to burn pits. It also directs the Secretary of Defense to brief the Armed Services Committees on current efforts, policies, and programs on incinerators and waste disposal alternatives to open air burn pits no later than March 1, 2024.

The FY24 NDAA makes key investments in Research and Development and acquisition programs to modernize the Armed Forces, while allowing the military to divest of legacy weapon systems that are no longer efficient or functional. That Includes \$650 million worth of investments in energy resilience and energy conservation projects.

## **INVESTMENTS IN MODERNIZATION**

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As the U.S. continues to focus on force modernization, increased oversight is a key priority. The FY24 NDAA increases oversight of the Ground Based Strategic Deterrent (GBSD)/Sentinel program to provide monthly updates and enhances existing oversight of DoD policies related to autonomous weapons systems. It also requires a Major Force Program designation for Nuclear Command, Control, and Communications programs to increase oversight across the services, directs the Secretary of Defense to develop and implement a process to assess and report whether artificial technologies are developed and function properly; and requires the DoD to evaluate technology, including applications, tools, and models, for the detection and watermarking of generative artificial intelligence.

The FY24 NDAA builds on scientific and technological developments to ensure the U.S. keeps pace with key competitors while responding to emerging technologies and innovation. It allows for contributions to the North Atlantic Treaty Organization's Defense Innovation Accelerator for the North Atlantic (NATO DIANA), a technology incubator designed to facilitate the acquisition of emerging technologies more rapidly, and it creates a new senior civilian position in each military service to help facilitate the transition of technologies from innovation organizations within DoD, industry, and academia.

The FY24 NDAA also establishes a pilot program that tests and evaluates how quantum and quantum-hybrid applications may be used to solve technical programs and provide



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needed capabilities; it creates a pilot program that explores the use of innovative intellectual property strategies to acquire technical data rights; it allows higher education institutions to receive assistance in protecting sensitive research performed on behalf of the Department of Defense; and it provides important authorities for the Office of Strategic Capital and the Defense Innovation Unit.

The bill continues to press DoD to adopt commercial capabilities with regards to the space domain, and increases efforts to develop, improve, and deploy regional missile defense capabilities to address growing threats to our deployed forces, allies, and partners, as demonstrated by the conflicts in Ukraine and Israel.

The FY24 NDAA authorizes investments in key tactical air and land forces capabilities, including strong investments across the munitions enterprise to increase capacity or accelerate development of key weapon systems. It is also focused on maintaining sufficient force structure by requiring the development of a long-term tactical fighter force structure plan that encompasses recapitalization, modernization, sustainment, and training across the active and reserve components of the Air Force.

It partially reserves the Air Force plan to retire 119 F-15E aircraft from FY25 through FY28, allowing aircraft that have substantial remaining service-life and recently completed upgrades to remain in use to fully resource fighter training while ensuring sufficient surge capability and capacity in the event of major conflict. And it reduces the minimum inventory requirements for the A-10 aircraft from 153 to 135 aircraft, allowing the Air Force to invest in modern weapon systems.

It mandates accountability metrics for the Next Generation Air Dominance family of systems development program to ensure effective and efficient program execution; requires Service Secretaries to establish and validate power, cooling, and electrical requirements for the F-35 aircraft to support the planned service-life of the aircraft; and it requires the F-35 Program Executive Officer to use those pre-determined service-life requirements to conduct a cost-benefit and technical risk analysis integrating all the modifications and upgrades necessary.

It drives effectiveness and efficiency into the propulsion and air system modernization of the F-35 program, as well as the delayed and over-budget Block 4 modernization program, to allow for more rigorous oversight of program execution.

And the FY24 NDAA authorizes 10 battle force ships to include one Columbia-class ballistic missile submarine, two Virginia-class fast attack submarines, two Arleigh Burke class destroyers, one San Antonio-class amphibious ship, two Constellation-class





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frigates, one T-AO fleet oiler and one submarine tender. The bill also authorizes a multi-year procurement contract for up to 13 Block VI Virginia-class submarines.

## **REAFFIRMS OUR COMMITMENT TO ALLIES AND PARTNERS**

As the rules-based international order continues to be challenged by the People's Republic of China (PRC), Russia, North Korea, Iran, and violent extremist organizations, the FY24 NDAA authorizes and builds on crucial investments in the United States' alliances and partnerships for the betterment of our national defense and to promote peace and stability.

The FY24 NDAA resources both the European Deterrence Initiative and the Pacific Deterrence Initiatives while making key improvements to the security cooperation and Foreign Military Sales process. And it includes Congress' opposition to the suspension, termination, denunciation, or withdrawal from the North Atlantic Treaty, making clear our continued commitment to our treaty allies.

Additionally, the FY24 NDAA extends the Ukraine Security Assistance Initiative (USAI) at the \$300 million level through Fiscal Year 2025 in the face of Putin's brutal and unjustified war in Ukraine and sends a powerful message to Americas and allies and friends, as well as competitors and enemies, that it maintains its commitments and promises.

It allows the President to transfer to Israel one or more retired United States aerial refueling tankers, or any other tanker the President considers appropriate, and extends a prohibition on inflight refueling support to any non-U.S. aircraft that are engaging in hostilities in Yemen.

The FY24 NDAA also includes essential outside committee priorities such as the Department of State Authorization Act and the Combating Global Corruption Act.

## **AUKUS**

The FY24 NDAA enables key pillars of AUKUS, one of the most significant initiatives in the Indo-Pacific region. This trilateral security partnership for the Indo-Pacific region between Australia, the United Kingdom, and the United States builds on longstanding and ongoing bilateral ties to strengthen the ability of each government to support security and defense interests.

The FY24 NDAA authorizes the transfer of up to three Virginia-class submarines to Australia that will increase our Naval presence in the Indo-Pacific Region. It allows for



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joint training of Australian and U.K. shipyard workers to boost repair capability in Australia, which will provide increased readiness for U.S. submarines. It also authorizes the creation of a fund that will allow Australia to give over \$3 billion to the U.S. to enhance our submarine industrial base.

It requires the designation of an AUKUS Senior Advisor at the State Department and a Senior Official at the Department of Defense to elevate AUKUS engagement. It streamlines and authorizes priority status for Australia and the U.K. within the foreign military sales (FMS) process, including identification of AUKUS-related technologies for advanced clearance to speed up the FMS process. It facilitates exemption to U.S. export controls for Australia and the United Kingdom if the President certifies that their export control regimes are comparable to that of the United States.

## **ENHANCES OVERSIGHT**

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The duty of Congress to provide oversight over the people and programs that provide for our national security and national defense as well as the support we provide to allies and partners is among the most important obligations we must fulfill for hardworking American taxpayers.

The FY24 NDAA includes numerous provisions for audit oversight, including increasing accountability for senior leaders by establishing metrics to make progress towards auditability a part of command evaluations.

It also increases oversight of equipment provided to foreign countries by requiring GAO to provide reports on how equipment use is monitored. To help the U.S. address affected international communities, the proposal includes additional oversight of ex-gratia payments where harm has been suffered by civilian survivors for damage, injury, or death inadvertently caused by the use of force by the U.S. Armed Forces, a coalition that includes the U.S., or a military organization supporting the U.S.