

114TH CONGRESS
1ST SESSION

H. R. 1735

To authorize appropriations for fiscal year 2016 for military activities of the Department of Defense and for military construction, to prescribe military personnel strengths for such fiscal year, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 13, 2015

Mr. THORNBERRY (for himself and Mr. SMITH of Washington) introduced the following bill; which was referred to the Committee on Armed Services

A BILL

To authorize appropriations for fiscal year 2016 for military activities of the Department of Defense and for military construction, to prescribe military personnel strengths for such fiscal year, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “National Defense Au-
5 thorization Act for Fiscal Year 2016”.

1 **SEC. 2. ORGANIZATION OF ACT INTO DIVISIONS; TABLE OF**
 2 **CONTENTS.**

3 (a) DIVISIONS.—This Act is organized into two divi-
 4 sions as follows:

5 (1) Division A—Department of Defense Au-
 6 thorizations.

7 (2) Division B—Military Construction Author-
 8 izations.

9 (b) TABLE OF CONTENTS.—The table of contents for
 10 this Act is as follows:

Sec. 1. Short title.

Sec. 2. Organization of Act into divisions; table of contents.

TITLE I—PROCUREMENT

Sec. 101. Army.

Sec. 102. Navy and Marine Corps.

Sec. 103. Air Force.

Sec. 104. Defense-wide activities.

Sec. 105. Multiyear procurement authority for Standard Missile-3 Block IB
 guided missiles.

Sec. 106. Availability of Air Force procurement funds for certain commercial-
 off-the-shelf parts for intercontinental ballistic missile fuzes.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Sec. 201. Authorization of appropriations.

Sec. 202. Repeal of requirement for initial operating capability of a conven-
 tional long-range standoff weapon before retirement of the con-
 ventionally Armed AGM-86 Missile.

TITLE III—OPERATION AND MAINTENANCE

Sec. 301. Operation and maintenance funding.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

Subtitle A—Active Forces

Sec. 401. End strengths for active forces.

Subtitle B—Reserve Forces

Sec. 411. End strengths for Selected Reserve.

Sec. 412. End strengths for reserves on active duty in support of the reserves.

Sec. 413. End strengths for military technicians (dual status).

- Sec. 414. Fiscal year 2016 limitation on number of non-dual status technicians.
 Sec. 415. Maximum number of reserve personnel authorized to be on active duty for operational support.

TITLE V—MILITARY PERSONNEL POLICY

Subtitle E—Other Matters

- Sec. 545. Required provision of preseparation counseling.

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

Subtitle B—Bonuses and Special and Incentive Pays

- Sec. 611. One-year extension of certain expiring bonus and special pay authorities.

TITLE VIII—ACQUISITION POLICY, ACQUISITION MANAGEMENT, AND RELATED MATTERS

Subtitle A—Acquisition Policy and Management

- Sec. 801. Program fraud civil remedies statute for the Department of Defense and the National Aeronautics and Space Administration.
 Sec. 802. Improvements to the operation of the Defense Acquisition Workforce Development Fund.

Subtitle B—Amendments to General Contract Authorities, Procedures, and Limitations

- Sec. 811. Revision to method of rounding of acquisition-related dollar thresholds when adjusting for inflation.
 Sec. 812. Extension of authority to acquire products and services produced in countries along a major route of supply to Afghanistan.
 Sec. 813. Exception to requirement to include cost or price to the Government as a factor in the evaluation of proposals for certain task or delivery order contracts.

Subtitle C—Acquisition Reform Proposals

- Sec. 821. Modification to requirements relating to determination of contract type for major development programs.
 Sec. 822. Repeal of requirement for stand-alone manpower estimates for major defense acquisition programs.
 Sec. 823. Revision of Milestone Decision Authority responsibilities for major defense acquisition programs.
 Sec. 824. Streamlining of requirements relating to defense business systems.
 Sec. 825. Revision to life-cycle management and product support requirements.
 Sec. 826. Acquisition strategy required for each major defense acquisition program.
 Sec. 827. Revision to requirements relating to risk reduction in development of major defense acquisition programs.

Subtitle D—Other Matters

- Sec. 831. Extension of the Department of Defense mentor-protégée pilot program.

- Sec. 832. Streamlining of reporting requirements applicable to Assistant Secretary of Defense for Research and Engineering regarding major defense acquisition programs.
- Sec. 833. Revision to required distribution of assistance under Procurement Technical Assistance Cooperative Agreement Program.

TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

- Sec. 901. Change of period for Chairman of the Joint Chiefs of Staff review of the unified command plan to not less than every four years.
- Sec. 902. Update of statutory specification of functions of the chairman of the Joint Chiefs of Staff relating to advice on requirements, programs, and budget.

TITLE X—GENERAL PROVISIONS

Subtitle A—Financial Matters

- Sec. 1001. Enhancement of interagency support during contingency operations and transition periods.

Subtitle C—Naval Vessels and Shipyards

- Sec. 1021. Extension of authority for reimbursement of expenses for certain Navy mess operations afloat.
- Sec. 1022. Refueling and complex overhaul of Nimitz-class aircraft carriers.

Subtitle D—Other Matters

- Sec. 1041. Transfer of functions of the Veterans' Advisory Board on Dose Reconstruction to the Secretaries of Veterans Affairs and Defense.

TITLE XI—CIVILIAN PERSONNEL MATTERS

- Sec. 1101. One-year extension of temporary authority to grant allowances, benefits, and gratuities to civilian personnel on official duty in a combat zone.
- Sec. 1102. Authority to provide additional allowances and benefits for defense clandestine service employees.
- Sec. 1103. Extension of rate of overtime pay for Department of the Navy employees performing work aboard or dockside in support of the nuclear-powered aircraft carrier forward deployed in Japan.

TITLE XII—MATTERS RELATING TO FOREIGN NATIONS

- Sec. 1201. Extension of authority to support operations and activities of the Office of Security Cooperation-Iraq.
- Sec. 1202. Extension of authority for reimbursement of certain coalition nations for support provided to United States military operations.
- Sec. 1203. Extension of authority to transfer defense articles and provide defense services to the military and security forces of Afghanistan.
- Sec. 1204. Authority for acceptance and use of contributions from Kuwait for certain mutually beneficial projects.
- Sec. 1205. Extension of commanders' emergency response program in Afghanistan.

- Sec. 1206. Increase in thresholds for definition of major defense equipment for purposes of Arms Export Control Act.
- Sec. 1207. Maintenance of prohibition on procurement by Department of Defense of communist Chinese-origin items that meet the definition of goods and services controlled as munitions items when moved to the “600 series” of the commerce control list.
- Sec. 1208. Modification of global lift and sustain to support partners and allies.
- Sec. 1209. Reimbursements for certain counterinsurgency, counterterrorism and stabilization operations carried out by Pakistan.
- Sec. 1210. NATO Special Operations Headquarters.
- Sec. 1211. Afghanistan Security Forces Fund.

TITLE XIV—OTHER AUTHORIZATIONS

Subtitle A—Military Programs

- Sec. 1401. Working capital funds.
- Sec. 1402. Joint urgent operational needs fund.
- Sec. 1403. Chemical agents and munitions destruction, Defense.
- Sec. 1404. Drug interdiction and counter-drug activities, Defense-wide.
- Sec. 1405. Defense Inspector General.
- Sec. 1406. Defense health program.

Subtitle B—Other Matters

- Sec. 1411. Authority for transfer of funds to joint Department of Defense–Department of Veterans Affairs Medical Facility Demonstration Fund for Captain James A. Lovell Health Care Center, Illinois.
- Sec. 1412. Authorization of appropriations for Armed Forces Retirement Home.

TITLE XV—AUTHORIZATION OF ADDITIONAL APPROPRIATIONS FOR OVERSEAS CONTINGENCY OPERATIONS

- Sec. 1501. Purpose.
- Sec. 1502. Army procurement.
- Sec. 1503. Joint Improvised Explosive Device Defeat Fund.
- Sec. 1504. Navy and Marine Corps procurement.
- Sec. 1505. Air Force procurement.
- Sec. 1506. Defense-wide activities procurement.
- Sec. 1507. Research, development, test, and evaluation.
- Sec. 1508. Operation and maintenance.
- Sec. 1509. Military personnel.
- Sec. 1510. Working capital funds.
- Sec. 1511. Defense health program.
- Sec. 1512. Drug interdiction and counter-drug activities, Defense-wide.
- Sec. 1513. Defense Inspector General.

DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS

TITLE XXVIII—MILITARY CONSTRUCTION GENERAL PROVISIONS

- Sec. 2801. Change in authorities relating to scope of work variations for military construction projects.

Sec. 2802. Enhanced authority to carry out emergency military construction projects when necessary to support requirements of combatant commanders.

Sec. 2803. Annual locality adjustment of dollar thresholds applicable to unspecified minor military construction authorities.

1 **TITLE I—PROCUREMENT**

2 **SEC. 101. ARMY.**

3 Funds are hereby authorized to be appropriated for
4 fiscal year 2016 for procurement for the Army as follows:

5 (1) For aircraft, \$5,689,357,000.

6 (2) For missiles, \$1,419,957,000.

7 (3) For weapons and tracked combat vehicles,
8 \$1,887,073,000.

9 (4) For ammunition, \$1,233,378,000.

10 (5) For other procurement, \$5,899,028,000.

11 **SEC. 102. NAVY AND MARINE CORPS.**

12 Funds are hereby authorized to be appropriated for
13 fiscal year 2016 for procurement for the Navy and Marine
14 Corps as follows:

15 (1) For aircraft, \$16,126,405,000.

16 (2) For weapons, including missiles and tor-
17 pedoes, \$3,154,154,000.

18 (3) For ammunition procurement, Navy and
19 Marine Corps, \$723,741,000.

20 (4) For shipbuilding and conversion,
21 \$16,597,457,000.

22 (5) For other procurement, \$6,614,715,000.

1 (6) For procurement, Marine Corps,
2 \$1,131,418,000.

3 **SEC. 103. AIR FORCE.**

4 Funds are hereby authorized to be appropriated for
5 fiscal year 2016 for procurement for the Air Force as fol-
6 lows:

7 (1) For aircraft, \$15,657,769,000.

8 (2) For missiles, \$2,987,045,000.

9 (3) For space procurement, \$2,584,061,000.

10 (4) For ammunition, \$1,758,843,000.

11 (5) For other procurement, \$18,272,438,000.

12 **SEC. 104. DEFENSE-WIDE ACTIVITIES.**

13 Funds are hereby authorized to be appropriated for
14 fiscal year 2016 for Defense-wide procurement in the
15 amount of \$5,130,853,000.

16 **SEC. 105. MULTIYEAR PROCUREMENT AUTHORITY FOR**
17 **STANDARD MISSILE-3 BLOCK IB GUIDED MIS-**
18 **SILES.**

19 (a) AUTHORITY FOR MULTIYEAR PROCUREMENT.—
20 Subject to section 2306b of title 10, United States Code,
21 the Secretary of Defense may enter into one or more
22 multiyear contracts, beginning with the fiscal year 2016
23 program year, for the procurement of Standard Missile-
24 3 Block IB guided missiles.

1 (b) AUTHORITY FOR ADVANCE PROCUREMENT.—The
2 Secretary may enter into one or more contracts for ad-
3 vance procurement associated with the SM–3 Block IB
4 missiles for which authorization to enter into a multiyear
5 procurement contract is provided under subsection (a).

6 (c) CONDITION FOR OUT-YEAR CONTRACT PAY-
7 MENTS.—A contract entered into under subsection (a)
8 shall provide that any obligation of the United States to
9 make a payment under the contract for a fiscal year after
10 fiscal year 2016 is subject to the availability of appropria-
11 tions for that purpose for such later fiscal year.

12 **SEC. 106. AVAILABILITY OF AIR FORCE PROCUREMENT**
13 **FUNDS FOR CERTAIN COMMERCIAL-OFF-THE-**
14 **SHELF PARTS FOR INTERCONTINENTAL BAL-**
15 **LISTIC MISSILE FUZES.**

16 (a) AVAILABILITY OF PROCUREMENT FUNDS.—Not-
17 withstanding section 1502(a) of title 31, United States
18 Code, of the amount authorized to be appropriated for fis-
19 cal year 2016 by section 103 for Missile Procurement, Air
20 Force, \$13,700,000 shall be available for the procurement
21 of covered parts pursuant to contracts entered into under
22 section 1645 of the Carl Levin and Howard P. “Buck”
23 McKeon National Defense Authorization Act for Fiscal
24 Year 2015 (Public Law 113–291; 128 Stat. YYY).

1 (b) COVERED PARTS DEFINED.—In this section, the
2 term “covered parts” has the meaning given that term in
3 section 1645(c) of such Act.

4 **TITLE II—RESEARCH, DEVELOP-**
5 **MENT, TEST, AND EVALUA-**
6 **TION**

7 **SEC. 201. AUTHORIZATION OF APPROPRIATIONS.**

8 Funds are hereby authorized to be appropriated for
9 fiscal year 2016 for the use of the Department of Defense
10 for research, development, test, and evaluation as follows:

11 (1) For the Army, \$6,924,959,000.

12 (2) For the Navy, \$17,885,916,000.

13 (3) For the Air Force, \$26,473,669,000.

14 (4) For Defense-wide activities,
15 \$18,329,861,000.

16 (5) For the Director of Operational Test and
17 Evaluation, \$170,558,000.

18 **SEC. 202. REPEAL OF REQUIREMENT FOR INITIAL OPER-**
19 **ATING CAPABILITY OF A CONVENTIONAL**
20 **LONG-RANGE STANDOFF WEAPON BEFORE**
21 **RETIREMENT OF THE CONVENTIONALLY**
22 **ARMED AGM-86 MISSILE.**

23 Section 217(a)(1) of the National Defense Authoriza-
24 tion Act for Fiscal Year 2014 (Public Law 113–66; 127
25 Stat. 706) is amended—

- 1 (1) by striking subparagraph (A);
- 2 (2) in subparagraph (B), by striking “and”;
- 3 (3) by redesignating subparagraph (B) as sub-
- 4 paragraph (A); and
- 5 (4) by inserting after subparagraph (A), as so
- 6 redesignated, the following new subparagraph (B):

7 “(B) is capable of being modified to carry
8 a conventional warhead; and”.

9 **TITLE III—OPERATION AND** 10 **MAINTENANCE**

11 **SEC. 301. OPERATION AND MAINTENANCE FUNDING.**

12 Funds are hereby authorized to be appropriated for
13 fiscal year 2016 for the use of the Armed Forces and other
14 activities and agencies of the Department of Defense for
15 expenses, not otherwise provided for, for operation and
16 maintenance, in amounts as follows:

- 17 (1) For the Army, \$35,107,546,000.
- 18 (2) For the Navy, \$42,200,756,000.
- 19 (3) For the Marine Corps, \$6,228,782,000.
- 20 (4) For the Air Force, \$38,191,929,000.
- 21 (5) For Defense-wide activities,
- 22 \$32,440,843,000.
- 23 (6) For the Army Reserve, \$2,665,792,000.
- 24 (7) For the Navy Reserve, \$1,001,758,000.

1 (8) For the Marine Corps Reserve,
2 \$277,036,000.

3 (9) For the Air Force Reserve, \$3,064,257,000.

4 (10) For the Army National Guard,
5 \$6,717,977,000.

6 (11) For the Air National Guard,
7 \$6,956,210,000.

8 (12) For the United States Court of Appeals
9 for the Armed Forces, \$14,078,000.

10 (13) For the Department of Defense Acquisi-
11 tion Workforce Development Fund, \$84,140,000.

12 (14) For Environmental Restoration, Army,
13 \$234,829,000.

14 (15) For Environmental Restoration, Navy,
15 \$292,453,000.

16 (16) For Environmental Restoration, Air Force,
17 \$368,131,000.

18 (17) For Environmental Restoration, Defense-
19 wide, \$8,232,000.

20 (18) For Environmental Restoration, Formerly
21 Used Defense Sites, \$203,717,000.

22 (19) For Overseas Humanitarian, Disaster, and
23 Civic Aid programs, \$100,266,000.

24 (20) For Cooperative Threat Reduction pro-
25 grams, \$358,496,000.

1 **TITLE IV—MILITARY**
2 **PERSONNEL AUTHORIZATIONS**

3 **Subtitle A—Active Forces**

4 **SEC. 401. END STRENGTHS FOR ACTIVE FORCES.**

5 The Armed Forces are authorized strengths for active
6 duty personnel as of September 30, 2016, as follows:

7 (1) The Army, 475,000.

8 (2) The Navy, 329,200.

9 (3) The Marine Corps, 184,000.

10 (4) The Air Force, 317,000.

11 **Subtitle B—Reserve Forces**

12 **SEC. 411. END STRENGTHS FOR SELECTED RESERVE.**

13 (a) IN GENERAL.—The Armed Forces are authorized
14 strengths for Selected Reserve personnel of the reserve
15 components as of September 30, 2016, as follows:

16 (1) The Army National Guard of the United
17 States, 342,000.

18 (2) The Army Reserve, 198,000.

19 (3) The Navy Reserve, 57,400.

20 (4) The Marine Corps Reserve, 38,900.

21 (5) The Air National Guard of the United
22 States, 105,500.

23 (6) The Air Force Reserve, 69,200.

24 (7) The Coast Guard Reserve, 7,000.

1 (b) END STRENGTH REDUCTIONS.—The end
2 strengths prescribed by subsection (a) for the Selected Re-
3 serve of any reserve component shall be proportionately
4 reduced by—

5 (1) the total authorized strength of units orga-
6 nized to serve as units of the Selected Reserve of
7 such component which are on active duty (other
8 than for training) at the end of the fiscal year; and

9 (2) the total number of individual members not
10 in units organized to serve as units of the Selected
11 Reserve of such component who are on active duty
12 (other than for training or for unsatisfactory partici-
13 pation in training) without their consent at the end
14 of the fiscal year.

15 (c) END STRENGTH INCREASES.—Whenever units or
16 individual members of the Selected Reserve for any reserve
17 component are released from active duty during any fiscal
18 year, the end strength prescribed for such fiscal year for
19 the Selected Reserve of such reserve component shall be
20 increased proportionately by the total authorized strengths
21 of such units and by the total number of such individual
22 members.

1 **SEC. 412. END STRENGTHS FOR RESERVES ON ACTIVE**
2 **DUTY IN SUPPORT OF THE RESERVES.**

3 Within the end strengths prescribed in section
4 411(a), the reserve components of the Armed Forces are
5 authorized, as of September 30, 2016, the following num-
6 ber of Reserves to be serving on full-time active duty or
7 full-time duty, in the case of members of the National
8 Guard, for the purpose of organizing, administering, re-
9 cruiting, instructing, or training the reserve components:

10 (1) The Army National Guard of the United
11 States, 30,770.

12 (2) The Army Reserve, 16,261.

13 (3) The Navy Reserve, 9,934.

14 (4) The Marine Corps Reserve, 2,260.

15 (5) The Air National Guard of the United
16 States, 14,748.

17 (6) The Air Force Reserve, 3,032.

18 **SEC. 413. END STRENGTHS FOR MILITARY TECHNICIANS**
19 **(DUAL STATUS).**

20 The minimum number of military technicians (dual
21 status) as of the last day of fiscal year 2016 for the re-
22 serve components of the Army and the Air Force (notwith-
23 standing section 129 of title 10, United States Code) shall
24 be the following:

25 (1) For the Army National Guard of the United
26 States, 26,099.

1 (2) For the Army Reserve, 7,395.

2 (3) For the Air National Guard of the United
3 States, 22,104.

4 (4) For the Air Force Reserve, 9,814.

5 **SEC. 414. FISCAL YEAR 2016 LIMITATION ON NUMBER OF**
6 **NON-DUAL STATUS TECHNICIANS.**

7 (a) LIMITATIONS.—

8 (1) NATIONAL GUARD.—Within the limitation
9 provided in section 10217(c)(2) of title 10, United
10 States Code, the number of non-dual status techni-
11 cians employed by the National Guard as of Sep-
12 tember 30, 2016, may not exceed the following:

13 (A) For the Army National Guard of the
14 United States, 1,600.

15 (B) For the Air National Guard of the
16 United States, 350.

17 (2) ARMY RESERVE.—The number of non-dual
18 status technicians employed by the Army Reserve as
19 of September 30, 2016, may not exceed 595.

20 (3) AIR FORCE RESERVE.—The number of non-
21 dual status technicians employed by the Air Force
22 Reserve as of September 30, 2016, may not exceed
23 90.

24 (b) NON-DUAL STATUS TECHNICIANS DEFINED.—In
25 this section, the term “non-dual status technician” has the

1 meaning given that term in section 10217(a) of title 10,
2 United States Code.

3 **SEC. 415. MAXIMUM NUMBER OF RESERVE PERSONNEL AU-**
4 **THORIZED TO BE ON ACTIVE DUTY FOR**
5 **OPERATIONAL SUPPORT.**

6 During fiscal year 2016, the maximum number of
7 members of the reserve components of the Armed Forces
8 who may be serving at any time on full-time operational
9 support duty under section 115(b) of title 10, United
10 States Code, is the following:

11 (1) The Army National Guard of the United
12 States, 17,000.

13 (2) The Army Reserve, 13,000.

14 (3) The Navy Reserve, 6,200.

15 (4) The Marine Corps Reserve, 3,000.

16 (5) The Air National Guard of the United
17 States, 16,000.

18 (6) The Air Force Reserve, 14,000.

19 **TITLE V—MILITARY PERSONNEL**
20 **POLICY**

21 **Subtitle E—Other Matters**

22 **SEC. 545. REQUIRED PROVISION OF PRESEPARATION**
23 **COUNSELING.**

24 (a) CLARIFICATION OF REQUIREMENT FOR 180 CON-
25 TINUOUS DAYS OF ACTIVE DUTY SERVICE.—Subpara-

1 graph (A) of section 1142(a)(4) of title 10, United States
2 Code, is amended by inserting “continuous” after “first
3 180”.

4 (b) EXCLUSION OF TRAINING FROM PERIODS OF AC-
5 TIVE DUTY.—Such section is further amended by adding
6 at the end the following new subparagraph:

7 “(C) For purposes of subparagraph (A),
8 the term ‘active duty’ does not include full-time
9 training duty, annual training duty, and attend-
10 ance, while in the active military service, at a
11 school designated as a service school by law or
12 by the Secretary of the military department
13 concerned.”.

14 **TITLE VI—COMPENSATION AND**
15 **OTHER PERSONNEL BENEFITS**
16 **Subtitle B—Bonuses and Special**
17 **and Incentive Pays**

18 **SEC. 611. ONE-YEAR EXTENSION OF CERTAIN EXPIRING**
19 **BONUS AND SPECIAL PAY AUTHORITIES.**

20 (a) AUTHORITIES RELATING TO RESERVE
21 FORCES.—The following sections of title 37, United
22 States Code, are amended by striking “December 31,
23 2015” and inserting “December 31, 2016”:

24 (1) Section 308b(g), relating to Selected Re-
25 serve reenlistment bonus.

1 (2) Section 308c(i), relating to Selected Reserve
2 affiliation or enlistment bonus.

3 (3) Section 308d(c), relating to special pay for
4 enlisted members assigned to certain high-priority
5 units.

6 (4) Section 308g(f)(2), relating to Ready Re-
7 serve enlistment bonus for persons without prior
8 service.

9 (5) Section 308h(e), relating to Ready Reserve
10 enlistment and reenlistment bonus for persons with
11 prior service.

12 (6) Section 308i(f), relating to Selected Reserve
13 enlistment and reenlistment bonus for persons with
14 prior service.

15 (7) Section 910(g), relating to income replace-
16 ment payments for reserve component members ex-
17 periencing extended and frequent mobilization for
18 active duty service.

19 (b) TITLE 10 AUTHORITIES RELATING TO HEALTH
20 CARE PROFESSIONALS.—The following sections of title
21 10, United States Code, are amended by striking “Decem-
22 ber 31, 2015” and inserting “December 31, 2016”:

23 (1) Section 2130a(a)(1), relating to nurse offi-
24 cer candidate accession program.

1 (2) Section 16302(d), relating to repayment of
2 education loans for certain health professionals who
3 serve in the Selected Reserve.

4 (c) TITLE 37 AUTHORITIES RELATING TO HEALTH
5 CARE PROFESSIONALS.—The following sections of title
6 37, United States Code, are amended by striking “Decem-
7 ber 31, 2015” and inserting “December 31, 2016”:

8 (1) Section 302c–1(f), relating to accession and
9 retention bonuses for psychologists.

10 (2) Section 302d(a)(1), relating to accession
11 bonus for registered nurses.

12 (3) Section 302e(a)(1), relating to incentive
13 special pay for nurse anesthetists.

14 (4) Section 302g(e), relating to special pay for
15 Selected Reserve health professionals in critically
16 short wartime specialties.

17 (5) Section 302h(a)(1), relating to accession
18 bonus for dental officers.

19 (6) Section 302j(a), relating to accession bonus
20 for pharmacy officers.

21 (7) Section 302k(f), relating to accession bonus
22 for medical officers in critically short wartime spe-
23 cialties.

1 (8) Section 3021(g), relating to accession bonus
2 for dental specialist officers in critically short war-
3 time specialties.

4 (d) AUTHORITIES RELATING TO NUCLEAR OFFI-
5 CERS.—The following sections of title 37, United States
6 Code, are amended by striking “December 31, 2015” and
7 inserting “December 31, 2016”:

8 (1) Section 312(f), relating to special pay for
9 nuclear-qualified officers extending period of active
10 service.

11 (2) Section 312b(c), relating to nuclear career
12 accession bonus.

13 (3) Section 312c(d), relating to nuclear career
14 annual incentive bonus.

15 (e) AUTHORITIES RELATING TO TITLE 37 CONSOLI-
16 DATED SPECIAL PAY, INCENTIVE PAY, AND BONUS AU-
17 THORITIES.—The following sections of title 37, United
18 States Code, are amended by striking “December 31,
19 2015” and inserting “December 31, 2016”:

20 (1) Section 331(h), relating to general bonus
21 authority for enlisted members.

22 (2) Section 332(g), relating to general bonus
23 authority for officers.

24 (3) Section 333(i), relating to special bonus and
25 incentive pay authorities for nuclear officers.

1 (4) Section 334(i), relating to special aviation
2 incentive pay and bonus authorities for officers.

3 (5) Section 335(k), relating to bonus and incen-
4 tive pay authorities for officers in health professions.

5 (6) Section 336(g), relating to contracting
6 bonus for cadets and midshipmen enrolled in the
7 Senior Reserve Officers' Training Corps.

8 (7) Section 351(h), relating to hazardous duty
9 pay.

10 (8) Section 352(g), relating to assignment pay
11 or special duty pay.

12 (9) Section 353(i), relating to skill incentive
13 pay or proficiency bonus.

14 (10) Section 355(h), relating to retention incen-
15 tives for members qualified in critical military skills
16 or assigned to high priority units.

17 (f) OTHER TITLE 37 BONUS AND SPECIAL PAY AU-
18 THORITIES.—The following sections of title 37, United
19 States Code, are amended by striking “December 31,
20 2015” and inserting “December 31, 2016”:

21 (1) Section 301b(a), relating to aviation officer
22 retention bonus.

23 (2) Section 307a(g), relating to assignment in-
24 centive pay.

1 (3) Section 308(g), relating to reenlistment
2 bonus for active members.

3 (4) Section 309(e), relating to enlistment
4 bonus.

5 (5) Section 324(g), relating to accession bonus
6 for new officers in critical skills.

7 (6) Section 326(g), relating to incentive bonus
8 for conversion to military occupational specialty to
9 ease personnel shortage.

10 (7) Section 327(h), relating to incentive bonus
11 for transfer between the Armed Forces.

12 (8) Section 330(f), relating to accession bonus
13 for officer candidates.

14 (g) **AUTHORITY TO PROVIDE TEMPORARY INCREASE**
15 **IN RATES OF BASIC ALLOWANCE FOR HOUSING.**—Section
16 403(b)(7)(E) of title 37, United States Code, is amended
17 by striking “December 31, 2015” and inserting “Decem-
18 ber 31, 2016”.

1 **TITLE VIII—ACQUISITION POL-**
2 **ICY, ACQUISITION MANAGE-**
3 **MENT, AND RELATED MAT-**
4 **TERS**

5 **Subtitle A—Acquisition Policy and**
6 **Management**

7 **SEC. 801. PROGRAM FRAUD CIVIL REMEDIES STATUTE FOR**
8 **THE DEPARTMENT OF DEFENSE AND THE NA-**
9 **TIONAL AERONAUTICS AND SPACE ADMINIS-**
10 **TRATION.**

11 (a) **PURPOSE.**—The purpose of this section is to pro-
12 vide the Secretary of Defense and the Administrator of
13 the National Aeronautics and Space Administration with
14 an effective administrative remedy to obtain recompense
15 for the Department of Defense and the National Aero-
16 nautics and Space Administration for losses resulting from
17 the submission to the Department or the Administration,
18 respectively, of false, fictitious, or fraudulent claims and
19 statements.

20 (b) **PROGRAM FRAUD CIVIL REMEDIES.**—

21 (1) **IN GENERAL.**—Chapter IV of subtitle A of
22 title 10, United States Code, is amended by insert-
23 ing after chapter 163 the following new chapter:

1 **“CHAPTER 164—ADMINISTRATIVE REM-**
 2 **EDIES FOR FALSE CLAIMS AND STATE-**
 3 **MENTS**

“Sec.

“2751. Applicability of chapter; definitions.

“2752. False claims and statements; liability.

“2753. Hearing and determinations.

“2754. Payment; interest on late payments.

“2755. Judicial review.

“2756. Collection of civil penalties and assessments.

“2757. Right to administrative offset.

“2758. Limitations.

“2759. Effect on other laws.

4 **“§ 2751. Applicability of chapter; definitions**

5 “(a) **APPLICABILITY OF CHAPTER.**—This chapter ap-
 6 plies to the following agencies:

7 “(1) The Department of Defense.

8 “(2) The National Aeronautics and Space Ad-
 9 ministration.

10 “(b) **DEFINITIONS.**—In this chapter:

11 “(1) **HEAD OF AN AGENCY.**—The term ‘head of
 12 an agency’ means the Secretary of Defense and the
 13 Administrator of the National Aeronautics and
 14 Space Administration.

15 “(2) **CLAIM.**—The term ‘claim’ means any re-
 16 quest, demand, or submission—

17 “(A) made to the head of an agency for
 18 property, services, or money (including money
 19 representing grants, loans, insurance, or bene-
 20 fits);

1 “(B) made to a recipient of property, serv-
2 ices, or money received directly or indirectly
3 from the head of an agency or to a party to a
4 contract with the head of an agency—

5 “(i) for property or services if the
6 United States—

7 “(I) provided such property or
8 services;

9 “(II) provided any portion of the
10 funds for the purchase of such prop-
11 erty or services; or

12 “(III) will reimburse such recipi-
13 ent or party for the purchase of such
14 property or services; or

15 “(ii) for the payment of money (in-
16 cluding money representing grants, loans,
17 insurance, or benefits) if the United
18 States—

19 “(I) provided any portion of the
20 money requested or demanded; or

21 “(II) will reimburse such recipi-
22 ent or party for any portion of the
23 money paid on such request or de-
24 mand; or

1 “(C) made to the head of an agency which
2 has the effect of decreasing an obligation to pay
3 or account for property, services, or money.

4 “(3) KNOWS OR HAS REASON TO KNOW.—The
5 term ‘knows or has reason to know’, for purposes of
6 establishing liability under section 2752 of this title,
7 means that a person, with respect to a claim or
8 statement—

9 “(A) has actual knowledge that the claim
10 or statement is false, fictitious, or fraudulent;

11 “(B) acts in deliberate ignorance of the
12 truth or falsity of the claim or statement; or

13 “(C) acts in reckless disregard of the truth
14 or falsity of the claim or statement, and no
15 proof of specific intent to defraud is required.

16 “(4) RESPONSIBLE OFFICIAL.—The term ‘re-
17 sponsible official’ means a designated debarring and
18 suspending official of the agency named in sub-
19 section (a).

20 “(5) RESPONDENT.—The term ‘respondent’
21 means a person who has received notice from a re-
22 sponsible official asserting liability under section
23 2752 of this title.

24 “(6) STATEMENT.—The term ‘statement’
25 means any representation, certification, affirmation,

1 document, record, or an accounting or bookkeeping
2 entry made—

3 “(A) with respect to a claim or to obtain
4 the approval or payment of a claim (including
5 relating to eligibility to make a claim); or

6 “(B) with respect to (including relating to
7 eligibility for)—

8 “(i) a contract with, or a bid or pro-
9 posal for a contract with the head of an
10 agency; or

11 “(ii) a grant, loan, or benefit from the
12 head of an agency.

13 “(c) CLAIMS.—For purposes of paragraph (2) of sub-
14 section (b)—

15 “(1) each voucher, invoice, claim form, or other
16 individual request or demand for property, services,
17 or money constitutes a separate claim;

18 “(2) each claim for property, services, or money
19 is subject to this chapter regardless of whether such
20 property, services, or money is actually delivered or
21 paid; and

22 “(3) a claim shall be considered made, pre-
23 sented, or submitted to the head of an agency, re-
24 cipient, or party when such claim is actually made
25 to an agent, fiscal intermediary, or other entity act-

1 ing for or on behalf of such authority, recipient, or
2 party.

3 “(d) STATEMENTS.—For purposes of paragraph (6)
4 of subsection (b)—

5 “(1) each written representation, certification,
6 or affirmation constitutes a separate statement; and

7 “(2) a statement shall be considered made, pre-
8 sented, or submitted to the head of an agency when
9 such statement is actually made to an agent, fiscal
10 intermediary, or other entity acting for or on behalf
11 of such authority.

12 **“§ 2752. False claims and statements; liability**

13 “(a) FALSE CLAIMS.—Any person who makes, pre-
14 sents, or submits, or causes to be made, presented, or sub-
15 mitted, to the head of an agency a claim that the person
16 knows or has reason to know—

17 “(1) is false, fictitious, or fraudulent;

18 “(2) includes or is supported by any written
19 statement which asserts a material fact this is false,
20 fictitious, or fraudulent;

21 “(3) includes or is supported by any written
22 statement that—

23 “(A) omits a material fact;

24 “(B) is false, fictitious, or fraudulent as a
25 result of such omission; and

1 “(C) the person making, presenting, or
2 submitting such statement has a duty to in-
3 clude such material fact; or

4 “(4) is for payment for the provision of prop-
5 erty or services which the person has not provided
6 as claimed, shall, in addition to any other remedy
7 that may be prescribed by law, be subject to a civil
8 penalty of not more than \$5,000 for each such
9 claim. Such person shall also be subject to an as-
10 sessment of not more than twice the amount of such
11 claim, or the portion of such claim which is deter-
12 mined by the responsible official to be in violation of
13 the preceding sentence.

14 “(b) FALSE STATEMENTS.—Any person who makes,
15 presents, submits, or causes to be made, presented, or sub-
16 mitted, a written statement in conjunction with a procure-
17 ment program or acquisition of the an agency named in
18 section 2751(a) of this title that—

19 “(1) the person knows or has reason to know—

20 “(A) asserts a material fact that is false,
21 fictitious, or fraudulent; or

22 “(B)(i) omits a material fact; and

23 “(ii) is false, fictitious, or fraudulent as a
24 result of such omission;

1 “(2) in the case of a statement described in
2 subparagraph (B) of paragraph (1), is a statement
3 in which the person making, presenting, or submit-
4 ting such statement has a duty to include such ma-
5 terial fact; and

6 “(3) contains or is accompanied by an express
7 certification or affirmation of the truthfulness and
8 accuracy of the contents of the statement, shall be
9 subject to, in addition to any other remedy that may
10 be prescribed by law, a civil penalty of not more
11 than \$5,000 for each such statement.

12 **“§ 2753. Hearing and determinations**

13 “(a) TRANSMITTAL OF NOTICE TO ATTORNEY GEN-
14 ERAL.—If a responsible official determines that there is
15 adequate evidence to believe that a person is liable under
16 section 2752 of this title, the responsible official shall
17 transmit to the Attorney General, or any other officer or
18 employee of the Department of Justice designated by the
19 Attorney General, a written notice of the intention of such
20 official to initiate an action under this section. The notice
21 shall include the following:

22 “(1) A statement of the reasons for initiating
23 an action under this section.

24 “(2) A statement specifying the evidence which
25 supports liability under section 2752 of this title.

1 “(3) A description of the claims or statements
2 for which liability under section 2752 of this title is
3 alleged.

4 “(4) An estimate of the penalties and assess-
5 ments that will be demanded under section 2752 of
6 this title.

7 “(5) A statement of any exculpatory or miti-
8 gating circumstances which may relate to such
9 claims or statements.

10 “(b) STATEMENT FROM ATTORNEY GENERAL.—

11 “(1) Within 90 days after receipt of a notice
12 from a responsible official under subsection (a), the
13 Attorney General, or any other officer or employee
14 of the Department of Justice designated by the At-
15 torney General, shall transmit a written statement
16 to the responsible official which specifies—

17 “(A) that the Attorney General, or any
18 other officer or employee of the Department of
19 Justice designated by the Attorney General, ap-
20 proves or disapproves initiating an action under
21 this section based on the allegations of liability
22 stated in such notice; and

23 “(B) in any case in which the initiation of
24 an action under this section is disapproved, the
25 reasons for such disapproval.

1 “(2) If at any time after the initiation of an ac-
2 tion under this section the Attorney General, or any
3 other officer or employee of the Department of Jus-
4 tice designated by the Attorney General, transmits
5 to a responsible official a written determination that
6 the continuation of any action under this section
7 may adversely affect any pending or potential crimi-
8 nal or civil action, such action shall be immediately
9 stayed and may be resumed only upon written au-
10 thorization from the Attorney General, or any other
11 officer or employee of the Department of Justice
12 designated by the Attorney General.

13 “(c) LIMITATION ON AMOUNT OF CLAIM THAT MAY
14 BE PURSUED UNDER THIS SECTION.—No action shall be
15 initiated under this section, nor shall any assessment be
16 imposed under this section, if the total amount of the
17 claim determined by the responsible official to violate sec-
18 tion 2752(a) of this title exceeds \$500,000. The \$500,000
19 threshold does not include penalties or any assessment
20 permitted under 2752(a) of this title greater than the
21 amount of the claim determined by the responsible official
22 to violate such section.

23 “(d) PROCEDURES FOR RESOLVING CLAIMS.—(1)
24 Upon receiving approval under subsection (b) to initiate
25 an action under this section, the responsible official shall

1 mail, by registered or certified mail, or other similar com-
2 mercial means, or shall deliver, a notice to the person al-
3 leged to be liable under section 2752 of this title. Such
4 notice shall specify the allegations of liability against such
5 person, specify the total amount of penalties and assess-
6 ments sought by the United States, advise the person of
7 the opportunity to submit facts and arguments in opposi-
8 tion to the allegations set forth in the notice, advise the
9 person of the opportunity to submit offers of settlement
10 or proposals of adjustment, and advise the person of the
11 procedures of the agency named in section 2751(a) of this
12 title governing the resolution of actions initiated under
13 this section.

14 “(2) Within 30 days after receiving a notice under
15 paragraph (1), or any additional period of time granted
16 by the responsible official, the respondent may submit in
17 person, in writing, or through a representative, facts and
18 arguments in opposition to the allegations set forth in the
19 notice, including any additional information that raises a
20 genuine dispute of material fact.

21 “(3) If the respondent fails to respond within 30
22 days, or any additional time granted by the responsible
23 official, the responsible official may issue a written deci-
24 sion disposing of the matters raised in the notice. Such
25 decision shall be based on the record before the responsible

1 official. If the responsible official concludes that the re-
2 spondent is liable under section 2752 of this title, the deci-
3 sion shall include the findings of fact and conclusions of
4 law which the responsible official relied upon in deter-
5 mining that the respondent is liable, and the amount of
6 any penalty and/or assessment to be imposed on the re-
7 spondent. Any such determination shall be based on a pre-
8 ponderance of the evidence. The responsible official shall
9 promptly send to the respondent a copy of the decision
10 by registered or certified mail, or other similar commercial
11 means, or shall hand deliver a copy of the decision.

12 “(4) If the respondent makes a timely submission,
13 and the responsible official determines that the respondent
14 has not raised any genuine dispute of material fact, the
15 responsible official may issue a written decision disposing
16 of the matters raised in the notice. Such decision shall
17 be based on the record before the responsible official. If
18 the responsible official concludes that the respondent is
19 liable under section 2752 of this title, the decision shall
20 include the findings of fact and conclusions of law which
21 the responsible official relied upon in determining that the
22 respondent is liable, and the amount of any penalty or as-
23 sessment to be imposed on the respondent. Any such de-
24 termination shall be based on a preponderance of the evi-
25 dence. The responsible official shall promptly send to the

1 respondent a copy of the decision by registered or certified
2 mail, or other similar commercial means, or shall hand
3 deliver a copy of the decision.

4 “(5) If the respondent makes a timely submission,
5 and the responsible official determines that the respondent
6 has raised a genuine dispute of material fact, the respon-
7 sible official shall commence a hearing to resolve the genu-
8 inely disputed material facts by mailing by registered or
9 certified mail, or other similar commercial means, or by
10 hand delivery of, a notice informing the respondent of—

11 “(A) the time, place, and nature of the hearing;

12 “(B) the legal authority under which the hear-
13 ing is to be held;

14 “(C) the material facts determined by the re-
15 sponsible official to be genuinely in dispute that will
16 be the subject of the hearing; and

17 “(D) a description of the procedures for the
18 conduct of the hearing.

19 “(6) The responsible official and any person against
20 whom liability is asserted under this chapter may agree
21 to a compromise or settle an action at any time. Any com-
22 promise or settlement must be in writing.

23 “(e) RESPONDENT ENTITLED TO COPY OF THE
24 RECORD.—At any time after receiving a notice under
25 paragraph (1) of subsection (d), the respondent shall be

1 entitled to a copy of the entire record before the respon-
2 sible official.

3 “(f) HEARINGS.—Any hearing commenced under this
4 section shall be conducted by the responsible official, or
5 a fact-finder designated by the responsible official, solely
6 to resolve genuinely disputed material facts identified by
7 the responsible official and set forth in the notice to the
8 respondent.

9 “(g) PROCEDURES FOR HEARINGS.—(1) Each hear-
10 ing shall be conducted under procedures prescribed by the
11 head of the agency. Such procedures shall include the fol-
12 lowing:

13 “(A) The provision of written notice of the
14 hearing to the respondent, including written notice
15 of—

16 “(i) the time, place, and nature of the
17 hearing;

18 “(ii) the legal authority under which the
19 hearing is to be held;

20 “(iii) the material facts determined by the
21 responsible official to be genuinely in dispute
22 that will be the subject of the hearing; and

23 “(iv) a description of the procedures for
24 the conduct of the hearing.

1 “(B) The opportunity for the respondent to
2 present facts and arguments through oral or docu-
3 mentary evidence, to submit rebuttal evidence, and
4 to conduct such cross-examination as may be re-
5 quired to resolve any genuinely disputed material
6 facts identified by the responsible official.

7 “(C) The opportunity for the respondent to be
8 accompanied, represented, and advised by counsel or
9 such other qualified representative as the Secretary
10 may specify in such regulations.

11 “(2) For the purpose of conducting hearings under
12 this section, the responsible official is authorized to admin-
13 ister oaths or affirmations.

14 “(3) Hearings shall be held at the responsible offi-
15 cial’s office, or at such other place as may be agreed upon
16 by the respondent and the responsible official.

17 “(h) DECISION FOLLOWING HEARING.—The respon-
18 sible official shall issue a written decision within 60 days
19 after the conclusion of the hearing. That decision shall set
20 forth specific findings of fact resolving the genuinely dis-
21 puted material facts that were the subject of the hearing.
22 The written decision shall also dispose of the matters
23 raised in the notice required under paragraph (1) of sub-
24 section (d). If the responsible official concludes that the
25 respondent is liable under section 2752 of this title, the

1 decision shall include the findings of fact and conclusions
2 of law which the responsible official relied upon in deter-
3 mining that the respondent is liable, and the amount of
4 any penalty or assessment to be imposed on the respon-
5 dent. Any decisions issued under this subparagraph shall
6 be based on the record before the responsible official and
7 shall be supported by a preponderance of the evidence.
8 The responsible official shall promptly send to the re-
9 spondent a copy of the decision by registered or certified
10 mail, or other similar commercial means, or shall hand
11 deliver a copy of the decision.

12 **“§ 2754. Payment; interest on late payments**

13 “(a) PAYMENT OF ASSESSMENTS AND PENALTIES.—
14 A respondent shall render payment of any assessment and
15 penalty imposed by a responsible official, or any amount
16 otherwise agreed to as part of a settlement or adjustment,
17 not later than the date—

18 “(1) that is 30 days after the date of the re-
19 ceipt by the respondent of the responsible official’s
20 decision; or

21 “(2) as otherwise agreed to by the respondent
22 and the responsible official.

23 “(b) INTEREST.—If there is an unpaid balance as of
24 the date determined under paragraph (1), interest shall
25 accrue from that date on any unpaid balance. The rate

1 of interest charged shall be the rate in effect as of that
2 date that is published by the Secretary of the Treasury
3 under section 3717 of title 31.

4 “(c) TREATMENT OF RECEIPTS.—All penalties, as-
5 sessments, or interest paid, collected, or otherwise recov-
6 ered under this chapter shall be deposited into the Treas-
7 ury as miscellaneous receipts as provided in section 3302
8 of title 31.

9 **“§ 2755. Judicial review**

10 “A decision by a responsible official under section
11 2753(d) or 2753(h) of this title shall be final. Any such
12 final decision is subject to judicial review only under chap-
13 ter 7 of title 5.

14 **“§ 2756. Collection of civil penalties and assessments**

15 “(a) JUDICIAL ENFORCEMENT OF CIVIL PENALTIES
16 AND ASSESSMENTS.—The Attorney General shall be re-
17 sponsible for judicial enforcement of any civil penalty or
18 assessment imposed under this chapter.

19 “(b) CIVIL ACTIONS FOR RECOVERY.—Any penalty
20 or assessment imposed in a decision by a responsible offi-
21 cial, or amounts otherwise agreed to as part of a settle-
22 ment or adjustment, along with any accrued interest, may
23 be recovered in a civil action brought by the Attorney Gen-
24 eral. In any such action, no matter that was raised or that
25 could have been raised in a proceeding under this chapter

1 or pursuant to judicial review under section 2755 of this
2 title may be raised as a defense, and the determination
3 of liability and the determination of amounts of penalties
4 and assessments shall not be subject to review.

5 “(c) JURISDICTION OF UNITED STATES DISTRICT
6 COURTS.—The district courts of the United States shall
7 have jurisdiction of any action commenced by the United
8 States under subsection (b).

9 “(d) JOINING AND CONSOLIDATING ACTIONS.—Any
10 action under subsection (b) may, without regard to venue
11 requirements, be joined and consolidated with or asserted
12 as a counterclaim, cross-claim, or setoff by the United
13 States in any other civil action which includes as parties
14 the United States, and the person against whom such ac-
15 tion may be brought.

16 “(e) JURISDICTION OF UNITED STATES COURT OF
17 FEDERAL CLAIMS.—The United States Court of Federal
18 Claims shall have jurisdiction of any action under sub-
19 section (b) to recover any penalty or assessment, or
20 amounts otherwise agreed to as part of a settlement or
21 adjustment, along with any accrued interest, if the cause
22 of action is asserted by the United States as a counter-
23 claim in a matter pending in such court. The counterclaim
24 need not relate to the subject matter of the underlying
25 claim.

1 **“§ 2757. Right to administrative offset**

2 “The amount of any penalty or assessment that has
3 been imposed by a responsible official, or any amount
4 agreed upon in a settlement or compromise, along with
5 any accrued interest, may be collected by administrative
6 offset.

7 **“§ 2758. Limitations**

8 “(a) LIMITATION ON PERIOD FOR INITIATION OF AD-
9 MINISTRATIVE ACTION.—An action under section 2752 of
10 this title with respect to a claim or statement shall be com-
11 menced within six years after the date on which such claim
12 or statement is made, presented, or submitted.

13 “(b) LIMITATION PERIOD FOR INITIATION OF CIVIL
14 ACTION FOR RECOVERY OF ADMINISTRATIVE PENALTY
15 OR ASSESSMENT.—A civil action to recover a penalty or
16 assessment under section 2756 of this title shall be com-
17 menced within three years after the date of the decision
18 of the responsible official imposing the penalty or assess-
19 ment.

20 **“§ 2759. Effect on other laws**

21 “(a) RELATIONSHIP TO TITLE 44 AUTHORITIES.—
22 This chapter does not diminish the responsibility of the
23 head of an agency to comply with the provisions of chapter
24 35 of title 44, relating to coordination of Federal informa-
25 tion policy.

1 “(b) RELATIONSHIP TO TITLE 31 AUTHORITIES.—
 2 The procedures set forth in this chapter apply to the agen-
 3 cies named in section 2751(a) of this title in lieu of the
 4 procedures under chapter 38 of title 31, relating to admin-
 5 istrative remedies for false claims and statements.

6 “(c) RELATIONSHIP TO OTHER AUTHORITIES.—Any
 7 action, inaction, or decision under this chapter shall be
 8 based solely upon the information before the responsible
 9 official and shall not limit or restrict any agency of the
 10 Government from instituting any other action arising out-
 11 side this chapter, including suspension or debarment,
 12 based upon the same information. Any action, inaction or
 13 decision under this chapter shall not restrict the ability
 14 of the Attorney General to bring judicial action, based
 15 upon the same information as long as such action is not
 16 otherwise prohibited by law.”.

17 (2) CLERICAL AMENDMENT.—The tables of
 18 chapters at the beginning of subtitle A, and at the
 19 beginning of part IV of subtitle A, of such title are
 20 each amended by inserting after the item relating to
 21 chapter 163 the following new item:

“164. Administrative Remedies for False Claims and Statements 2751”.

22 (c) CONFORMING AMENDMENTS.—Section
 23 3801(a)(1) of title 31, United States Code, is amended—

1 (A) in subparagraph (A), by striking
2 “credited to the Fund under paragraph (2)”
3 and inserting “appropriated to the Fund”;

4 (B) in subparagraph (B), by striking
5 “paragraph (3)” and inserting “paragraph
6 (2)”; and

7 (C) by striking subparagraph (C);
8 (2) by striking paragraphs (2) and (4);
9 (3) by redesignating paragraph (3) as para-
10 graph (2);

11 (4) in paragraph (2), as so redesignated—

12 (A) in the first sentence, by striking “24-
13 month period” and inserting “36-month pe-
14 riod”; and

15 (B) in the second sentence, by striking
16 “credited to the Fund” and inserting “credited
17 to amounts appropriated to the Fund for the
18 fiscal year in which such funds are trans-
19 ferred”; and

20 (5) by inserting after paragraph (2), as so re-
21 designated, the following new paragraph (3):

22 “(3) PRIOR NOTICE TO CONGRESSIONAL COM-
23 MITTEES OF CERTAIN TRANSFERS.—The Secretary
24 of Defense may make a transfer to the Fund pursu-
25 ant to paragraph (2) that increases to an amount

1 greater than \$500,000,000 the total amount made
2 available to the Fund for a fiscal year only after the
3 Secretary submits to the congressional defense com-
4 mittees notice of the Secretary's intent to make such
5 transfer and a period of 10 days has elapsed fol-
6 lowing the date of the notification.”.

7 (b) AVAILABILITY OF FUNDS.—Subsection (e) of
8 such section is amended—

9 (1) in paragraph (1), by inserting “appropria-
10 tions available to” after “for transfer to”; and

11 (2) in paragraph (6)—

12 (A) by striking “credited to the Fund in
13 accordance with subsection (d)(2),”;

14 (B) by striking “subsection (d)(3),” and
15 inserting “subsection (d)(2) or”;

16 (C) by striking “, or deposited to the
17 Fund”; and

18 (D) by striking “for which credited” and
19 all that follows and inserting “in which trans-
20 ferred, or for which appropriated, and the suc-
21 ceeding fiscal year.”.

22 (c) ANNUAL REPORT.—Subsection (f)(1) of such sec-
23 tion is amended by striking “remitted” and all that follows
24 through “credited” and inserting “transferred to the
25 Fund in such fiscal year or appropriated”.

1 **Subtitle B—Amendments to Gen-**
2 **eral Contract Authorities, Pro-**
3 **cedures, and Limitations**

4 **SEC. 811. REVISION TO METHOD OF ROUNDING OF ACQUI-**
5 **SITION-RELATED DOLLAR THRESHOLDS**
6 **WHEN ADJUSTING FOR INFLATION.**

7 Section 1908(e)(2) of title 41, United States Code,
8 is amended—

9 (1) in the matter preceding subparagraph (A),
10 by striking “on the day before the adjustment” and
11 inserting “as calculated under paragraph (1)”;

12 (2) by striking “and” at the end of subpara-
13 graph (C); and

14 (3) by striking subparagraph (D) and inserting
15 the following:

16 “(D) not less than \$1,000,000, but less
17 than \$10,000,000, to the nearest \$500,000;

18 “(E) not less than \$10,000,000, but less
19 than \$100,000,000, to the nearest \$5,000,000;

20 “(F) not less than \$100,000,000, but less
21 than \$1,000,000,000, to the nearest
22 \$50,000,000; and

23 “(G) \$1,000,000,000 or more, to the near-
24 est \$500,000,000.”.

1 **SEC. 812. EXTENSION OF AUTHORITY TO ACQUIRE PROD-**
2 **UCTS AND SERVICES PRODUCED IN COUN-**
3 **TRIES ALONG A MAJOR ROUTE OF SUPPLY**
4 **TO AFGHANISTAN.**

5 Section 801(f) of the National Defense Authorization
6 Act for Fiscal Year 2010 (Public Law 111–84; 123 Stat.
7 2399), as most recently amended by section 832 of the
8 National Defense Authorization Act for Fiscal Year 2014
9 (Public Law 113–66; 127 Stat. 814), is further amended
10 by striking “December 31, 2015” and inserting “Decem-
11 ber 31, 2018”.

12 **SEC. 813. EXCEPTION TO REQUIREMENT TO INCLUDE COST**
13 **OR PRICE TO THE GOVERNMENT AS A FAC-**
14 **TOR IN THE EVALUATION OF PROPOSALS**
15 **FOR CERTAIN TASK OR DELIVERY ORDER**
16 **CONTRACTS.**

17 (a) CONTRACTING UNDER TITLE 41, UNITED
18 STATES CODE.—Section 3306(c) of title 41, United States
19 Code, is amended—

20 (1) in paragraph (1), by inserting “except as
21 provided in paragraph (3),” in subparagraphs (B)
22 and (C) after the subparagraph designation; and

23 (2) by adding at the end the following new
24 paragraphs:

25 “(3) EXCEPTIONS FOR CERTAIN INDEFINITE
26 DELIVERY, INDEFINITE QUANTITY CONTRACTS.—If

1 the head of an agency issues a solicitation for mul-
2 tiple task or delivery order contracts under section
3 4103(d) of this title for the same or similar services
4 and intends to make a contract award to each quali-
5 fying offeror—

6 “(A) cost or price to the Federal Govern-
7 ment need not, at the Government’s discretion,
8 be considered under subparagraph (B) of para-
9 graph (1) as an evaluation factor for the con-
10 tract award; and

11 “(B) if, pursuant to subparagraph (A),
12 cost or price to the Federal Government is not
13 considered as an evaluation factor for the con-
14 tract award—

15 “(i) the disclosure requirement of sub-
16 paragraph (C) of paragraph (1) shall not
17 apply; and

18 “(ii) cost or price to the Federal Gov-
19 ernment shall be considered in conjunction
20 with the issuance pursuant to section
21 4106(e) of this title of a task or delivery
22 order under any contract resulting from
23 the solicitation.

1 “(4) QUALIFYING OFFEROR DEFINED.—In
2 paragraph (3), the term ‘qualifying offeror’ means
3 an offeror that—

4 “(A) is determined to be a responsible
5 source;

6 “(B) submits a proposal that conforms to
7 the requirements of the solicitation; and

8 “(C) the contracting officer has no reason
9 to believe would likely offer other than fair and
10 reasonable pricing.”.

11 (b) CONTRACTING UNDER TITLE 10, UNITED
12 STATES CODE.—Section 2305(a)(3) of title 10, United
13 States Code, is amended—

14 (1) in subparagraph (A), by inserting “(except
15 as provided in subparagraph (C))” in clauses (ii)
16 and (iii) after “shall”; and

17 (2) by adding at the end the following new sub-
18 paragraphs:

19 “(C) If the head of an agency issues a solicitation
20 for multiple task or delivery order contracts under section
21 2304a(d)(1)(B) of this title for the same or similar serv-
22 ices and intends to make a contract award to each quali-
23 fying offeror—

24 “(i) cost or price to the Federal Government
25 need not, at the Government’s discretion, be consid-

1 ered under clause (ii) of subparagraph (A) as an
2 evaluation factor for the contract award; and

3 “(ii) if, pursuant to clause (i), cost or price to
4 the Federal Government is not considered as an
5 evaluation factor for the contract award—

6 “(I) the disclosure requirement of clause
7 (iii) of subparagraph (A) shall not apply; and

8 “(II) cost or price to the Federal Govern-
9 ment shall be considered in conjunction with
10 the issuance pursuant to section 2304c(b) of
11 this title of a task or delivery order under any
12 contract resulting from the solicitation.

13 “(D) In subparagraph (C), the term ‘qualifying offer-
14 or’ means an offeror that—

15 “(i) is determined to be a responsible source;

16 “(ii) submits a proposal that conforms to the
17 requirements of the solicitation; and

18 “(iii) the contracting officer has no reason to
19 believe would likely offer other than fair and reason-
20 able pricing.”.

1 **Subtitle C—Acquisition Reform**
2 **Proposals**

3 **SEC. 821. MODIFICATION TO REQUIREMENTS RELATING TO**
4 **DETERMINATION OF CONTRACT TYPE FOR**
5 **MAJOR DEVELOPMENT PROGRAMS.**

6 (a) DETERMINATION OF CONTRACT TYPE.—Section
7 2306 of title 10, United States Code, is amended by add-
8 ing at the end the following new subsection:

9 “(i) REQUIRED ELEMENTS OF GUIDANCE RELATING
10 TO CONTRACT TYPE.—(1) The Secretary of Defense shall
11 ensure that the guidance of the Department of Defense
12 relating to major defense acquisition programs and major
13 automated information systems includes—

14 “(A) a requirement that the acquisition
15 strategy for such a program or system include
16 identification of the contract type for develop-
17 ment of the program or system; and

18 “(B) a justification of the contract type
19 identified.

20 “(2) The contract type identified in accordance with
21 paragraph (1)(A) may be—

22 “(A) a fixed-price type contract (including a
23 fixed-price incentive contract); or

24 “(B) a cost-type contract (including a cost-plus-
25 incentive-fee contract).

1 “(3) The guidance referred to in paragraph (1) shall
2 require that the justification for the contract type selected
3 explain—

4 “(A) how the level of program risk relates to
5 the contract type selected; and

6 “(B) how the use of incentives (especially cost
7 incentives) in the contract, if any, supports the ob-
8 jectives of the development program.

9 “(4) The guidance shall also specify that the use of
10 contracts with target costs, target profits or fees, and
11 profit or fee adjustment formulas, during development,
12 where applicable, is ordinarily in the interest of the Gov-
13 ernment.”.

14 (b) REPEAL.—Section 818 of the John Warner Na-
15 tional Defense Authorization Act for Fiscal Year 2007
16 (Public Law 109–364; 10 U.S.C. 2306 note) is amended
17 by striking subsections (b), (c), (d), and (e).

18 (c) MODIFICATION OF REGULATIONS.—Not later
19 than 120 days after the date of the enactment of this Act,
20 the Secretary of Defense shall modify the regulations of
21 the Department of Defense regarding the determination
22 of contract type for development programs to be consistent
23 with the amendments made by this section.

1 **SEC. 822. REPEAL OF REQUIREMENT FOR STAND-ALONE**
2 **MANPOWER ESTIMATES FOR MAJOR DE-**
3 **FENSE ACQUISITION PROGRAMS.**

4 (a) REPEAL OF REQUIREMENT.—Subsection (a)(1)
5 of section 2434 of title 10, United States Code, is amend-
6 ed by striking “and a manpower estimate for the program
7 have” and inserting “has”.

8 (b) CONFORMING AMENDMENTS RELATING TO REG-
9 ULATIONS.—Subsection (b) of such section is amended—

10 (1) by striking paragraph (2);

11 (2) by striking “shall require—” and all that
12 follows through “that the independent” and insert-
13 ing “shall require that the independent”;

14 (3) by redesignating subparagraphs (A) and
15 (B) as paragraphs (1) and (2), respectively, and re-
16 aligning those paragraphs so as to be two ems from
17 the left margin; and

18 (4) in paragraph (2), as so redesignated—

19 (A) by striking “and operations and sup-
20 port,” and inserting “operations and support,
21 and manpower to operate, maintain, and sup-
22 port the program upon full operational deploy-
23 ment,”; and

24 (B) by striking “; and” at the end and in-
25 serting a period.

26 (c) CLERICAL AMENDMENTS.—

1 (1) SECTION HEADING.—The heading of such
2 section is amended to read as follows:

3 **“§ 2434. Independent cost estimates”.**

4 (2) TABLE OF SECTIONS.—The item relating to
5 such section in the table of sections at the beginning
6 of chapter 144 of such title is amended to read as
7 follows:

 “2434. Independent cost estimates.”.

8 **SEC. 823. REVISION OF MILESTONE DECISION AUTHORITY**
9 **RESPONSIBILITIES FOR MAJOR DEFENSE AC-**
10 **QUISITION PROGRAMS.**

11 (a) REVISION.—

12 (1) IN GENERAL.—Sections 2366a and 2366b
13 of title 10, United States Code, are amended to read
14 as follows:

15 **“§ 2366a. Major defense acquisition programs: re-**
16 **sponsibilities at Milestone A approval**

17 “(a) RESPONSIBILITIES.—Before granting Milestone
18 A approval for a major defense acquisition program or a
19 major subprogram, the Milestone Decision Authority for
20 the program or subprogram shall ensure—

21 “(1) that information about the program or
22 subprogram is sufficient to warrant entry of the pro-
23 gram or subprogram into the risk reduction phase;
24 and

1 “(2) that there are sound plans for progression
2 of the program or subprogram to the development
3 phase.

4 “(b) CONSIDERATIONS.—In carrying out subsection
5 (a), the Milestone Decision Authority shall consider to
6 what extent the program or subprogram—

7 “(1) meets a joint military requirement;

8 “(2) responds to an anticipated or likely threat;

9 “(3) has been developed in light of a review of
10 alternative approaches;

11 “(4) is affordable;

12 “(5) has (A) identified areas of risk and, (B)
13 for each such identified area of risk, has a plan to
14 reduce the risk that is documented in the acquisition
15 strategy for the program or subprogram;

16 “(6) addresses planning for sustainment; and

17 “(7) meets any other considerations the Mile-
18 stone Decision Authority considers relevant.

19 “(c) RELATIONSHIP TO OTHER STATUTES.—In as-
20 sessing the considerations in subsection (b), the Milestone
21 Decision Authority shall include consideration of the fol-
22 lowing:

23 “(1) With respect to joint military require-
24 ments, the requirements of section 181 of this title.

1 “(2) With respect to alternative approaches, the
2 requirements of section 201 of the Weapon Systems
3 Acquisition Reform Act of 2009 (Public Law 111–
4 23; 10 U.S.C. 2302 note).

5 “(3) With respect to affordability and cost esti-
6 mates and analyses, the requirements of section
7 2334 of this title.

8 “(4) With respect to risk, the requirements
9 of—

10 “(A) section 138b of this title; and

11 “(B) section 203 of the Weapon Systems
12 Acquisition Reform Act of 2009 (Public Law
13 111–23; 10 U.S.C. 2430 note).

14 “(5) With respect to sustainment, the require-
15 ments of section 2337 and section 2464 of this title.

16 “(d) NOTIFICATION.—Not later than 30 days after
17 granting Milestone A approval for a major defense acquisi-
18 tion program or major subprogram, the Milestone Deci-
19 sion Authority for that program or subprogram shall sub-
20 mit to the congressional defense committees notice of such
21 approval in writing. The Milestone Decision Authority’s
22 decision memorandum with respect to such approval shall
23 be available to the congressional defense committees upon
24 request, consistent with any relevant classification require-
25 ments.

1 “(e) DEFINITIONS.—In this section:

2 “(1) The term ‘major defense acquisition pro-
3 gram’ means a Department of Defense acquisition
4 program that is a major defense acquisition program
5 for purposes of section 2430 of this title.

6 “(2) The term ‘major subprogram’ means a
7 major subprogram of a major defense acquisition
8 program designated under section 2430a(a)(1) of
9 this title.

10 “(3) The term ‘Milestone Decision Authority’,
11 with respect to a major defense acquisition program
12 or a major subprogram, means the official within the
13 Department of Defense designated with the overall
14 responsibility and authority for acquisitions decisions
15 for the program or subprogram, including authority
16 to approve entry of the program or subprogram into
17 the next phase of the acquisition process.

18 “(4) The term ‘Milestone A approval’ means a
19 decision to enter into a risk reduction phase pursu-
20 ant to guidance prescribed by the Secretary of De-
21 fense for the management of Department of Defense
22 acquisition programs.

23 “(5) The term ‘joint military requirement’ has
24 the meaning given that term in section 181(g)(1) of
25 this title.

1 **“§ 2366b. Major defense acquisition programs: re-**
2 **sponsibilities at Milestone B approval**

3 “(a) RESPONSIBILITIES.—Before granting Milestone
4 B approval for a major defense acquisition program or a
5 major subprogram, the Milestone Decision Authority for
6 the program or subprogram shall ensure—

7 “(1) that information about the program or
8 subprogram is sufficient to warrant entry of the pro-
9 gram or subprogram into the development phase;
10 and

11 “(2) that there are sound plans in place for the
12 program or subprogram to deliver the required capa-
13 bility.

14 “(b) CONSIDERATIONS.—In carrying out subsection
15 (a), the Milestone Decision Authority shall consider to
16 what extent the program or subprogram will do each of
17 the following:

18 “(1) Provide a capability that is affordable.

19 “(2) Identify and mitigate programmatic risks.

20 “(3) Deliver a capability with acceptable per-
21 formance to fulfill a joint military requirement.

22 “(4) Utilize technologies assessed to be mature.

23 “(5) Effectively utilize competition.

24 “(6) Enable sustainment of the capability that
25 is provided by the program or subprogram.

1 “(7) Continue to address, as necessary, the con-
2 siderations for Milestone A approval (or in the case
3 that the program has not previously been granted
4 Milestone A approval, address such considerations).

5 “(8) Respond to anticipated or likely threats.

6 “(9) Meet any other considerations the Mile-
7 stone Decision Authority considers relevant.

8 “(c) RELATIONSHIP TO OTHER STATUTES.—In ad-
9 dressing the considerations in subsection (b), the Mile-
10 stone Decision Authority shall include consideration of the
11 following:

12 “(1) With respect to affordability, the require-
13 ments of section 2334 of this title.

14 “(2) With respect to risk, the requirements
15 of—

16 “(A) section 203 of the Weapon Systems
17 Acquisition Reform Act of 2009 (Public Law
18 111–23; 10 U.S.C. 2430 note); and

19 “(B) section 138b of this title.

20 “(3) With respect to fulfilling a joint military
21 requirement, the requirements of section 181 of this
22 title.

23 “(4) With respect to competition, the require-
24 ments of—

1 “(A) section 202 of the Weapon Systems
2 Acquisition Reform Act of 2009 (Public Law
3 111–23; 10 U.S.C. 2430 note); and

4 “(B) section 2304 of this title.

5 “(5) With respect to sustainment, the require-
6 ments of section 2337 and section 2464 of this title.

7 “(d) NOTIFICATION.—Not later than 30 days after
8 granting Milestone B approval for a major defense acqui-
9 sition program or major subprogram, the Milestone Deci-
10 sion Authority for the program or subprogram shall sub-
11 mit to the congressional defense committees notice of such
12 approval in writing. The Milestone Decision Authority’s
13 decision memorandum with respect to such approval shall
14 be available to the congressional defense committees upon
15 request, consistent with any relevant classification require-
16 ments.

17 “(e) DEFINITIONS.—In this section:

18 “(1) The term ‘major defense acquisition pro-
19 gram’ means a Department of Defense acquisition
20 program that is a major defense acquisition program
21 for purposes of section 2430 of this title.

22 “(2) The term ‘major subprogram’ means a
23 major subprogram of a major defense acquisition
24 program designated under section 2430a(a)(1) of
25 this title.

1 “(3) The term ‘Milestone Decision Authority’,
2 with respect to a major defense acquisition program
3 or a major subprogram, means the official within the
4 Department of Defense designated with the overall
5 responsibility and authority for acquisition decisions
6 for the program or subprogram, including authority
7 to approve entry of the program or subprogram into
8 the next phase of the acquisition process.

9 “(4) The term ‘Milestone A approval’ means a
10 decision to enter into a risk reduction phase pursu-
11 ant to guidance prescribed by the Secretary of De-
12 fense for the management of Department of Defense
13 acquisition programs.

14 “(5) The term ‘Milestone B approval’ means a
15 decision to enter into a development phase pursuant
16 to guidance prescribed by the Secretary of Defense
17 for the management of Department of Defense ac-
18 quisition programs.

19 “(6) The term ‘joint military requirement’ has
20 the meaning given that term in section 181(g)(1) of
21 this title.”.

22 (2) CLERICAL AMENDMENT.—The items relat-
23 ing to such sections in the table of sections at the
24 beginning of chapter 139 of such title are amended
25 to read as follows:

“2366a. Major defense acquisition programs: responsibilities at Milestone A approval.

“2366b. Major defense acquisition programs: responsibilities at Milestone B approval.”.

1 (b) CONFORMING AMENDMENTS.—

2 (1) Section 139b of this title is amended—

3 (A) in subsection (a)(5)—

4 (i) in subparagraph (B), by striking
5 “review and approve or disapprove” and
6 inserting “advise the milestone decision au-
7 thority regarding review and approval of”;
8 and

9 (ii) in subparagraph (C), by inserting
10 “in order to advise relevant technical au-
11 thorities for such programs on the incorpo-
12 ration of best practices for developmental
13 test from across the Department” after
14 “programs”; and

15 (B) in subsection (b)(5)—

16 (i) in subparagraph (B), by striking
17 “review and approve” and inserting “ad-
18 vise the milestone decision authority re-
19 garding review and approval of”; and

20 (ii) in subparagraph (C), by inserting
21 “in order to advise relevant technical au-
22 thorities for such programs on the incorpo-
23 ration of best practices for systems engi-

1 neering from across the Department” after
2 “programs”.

3 (2) Section 2334(a)(6)(A)(i) of such title is
4 amended by striking “any certification under” and
5 inserting “any decision to grant milestone approval
6 pursuant to”.

7 **SEC. 824. STREAMLINING OF REQUIREMENTS RELATING TO**
8 **DEFENSE BUSINESS SYSTEMS.**

9 (a) IN GENERAL.—

10 (1) REVISION.—Section 2222 of title 10,
11 United States Code, is amended to read as follows:

12 **“§ 2222. Defense business systems: business process**
13 **reengineering; enterprise architecture;**
14 **management**

15 “(a) DEFENSE BUSINESS SYSTEMS GENERALLY.—
16 The Secretary of Defense shall ensure that each covered
17 defense business system developed, deployed, and operated
18 by the Department of Defense—

19 “(1) supports efficient business processes that
20 have been reviewed, and as appropriate revised,
21 through business process reengineering;

22 “(2) is integrated into a comprehensive defense
23 business enterprise architecture; and

1 “(3) is managed in a manner that provides visi-
2 bility into, and traceability of, expenditures for the
3 system.

4 “(b) ISSUANCE OF GUIDANCE.—

5 “(1) SECRETARY OF DEFENSE GUIDANCE.—
6 The Secretary shall issue guidance to provide for the
7 coordination of, and decision making for, the plan-
8 ning, programming, and control of investments in
9 covered defense business systems.

10 “(2) SUPPORTING GUIDANCE.—The Secretary
11 shall direct the Deputy Chief Management Officer of
12 the Department of Defense, the Under Secretary of
13 Defense for Acquisition, Technology, and Logistics,
14 the Chief Information Officer, and the Chief Man-
15 agement Officer of each of the military departments
16 to issue and maintain supporting guidance, as ap-
17 propriate, for the guidance of the Secretary issued
18 under paragraph (1).

19 “(c) GUIDANCE ELEMENTS.—The guidance issued
20 pursuant to subsection (b)(1) shall include the following
21 elements:

22 “(1) Policy to ensure that the business proc-
23 esses of the Department of Defense are continuously
24 evolved to—

1 “(A) implement the most streamlined and
2 efficient business process practicable; and

3 “(B) enable the use of commercial off-the-
4 shelf business systems with the fewest changes
5 necessary to accommodate requirements and
6 interfaces that are unique to the Department of
7 Defense.

8 “(2) A process to establish requirements for
9 covered defense business systems.

10 “(3) Mechanisms for the planning and control
11 of investments in covered defense business systems,
12 including a process for the collection and review of
13 programming and budgeting information for covered
14 defense business systems.

15 “(4) Policy requiring the periodic review of cov-
16 ered defense business systems that have been fully
17 deployed, by portfolio, to ensure that investments in
18 such portfolios are appropriate.

19 “(d) DEFENSE BUSINESS ENTERPRISE ARCHITEC-
20 TURE.—

21 “(1) BLUEPRINT.—The Secretary, working
22 through the Deputy Chief Management Officer of
23 the Department of Defense, shall develop and main-
24 tain a blueprint to guide the development of inte-
25 grated business processes within the Department of

1 Defense Such blueprint shall be known as the ‘de-
2 fense business enterprise architecture’.

3 “(2) PURPOSE.—The defense business enter-
4 prise architecture shall be sufficiently defined to ef-
5 fectively guide implementation of interoperable de-
6 fense business system solutions and shall be con-
7 sistent with the policies and procedures established
8 by the Director of the Office of Management and
9 Budget.

10 “(3) ELEMENTS.—The defense business enter-
11 prise architecture shall—

12 “(A) include policies, procedures, business
13 data standards, business performance measures,
14 and business information requirements that
15 apply uniformly throughout the Department of
16 Defense; and

17 “(B) enable the Department of Defense
18 to—

19 “(i) comply with all applicable law, in-
20 cluding Federal accounting, financial man-
21 agement, and reporting requirements;

22 “(ii) routinely produce verifiable,
23 timely, accurate, and reliable business and
24 financial information for management pur-
25 poses; and

1 “(iii) integrate budget, accounting,
2 and program information and systems.

3 “(4) INTEGRATION INTO INFORMATION TECH-
4 NOLOGY ARCHITECTURE.—The defense business en-
5 terprise architecture shall integrate into an informa-
6 tion technology enterprise architecture, developed by
7 the Chief Information Officer of the Department of
8 Defense, which describes a target business systems
9 computing environment for each of the major busi-
10 ness processes conducted by the Department of De-
11 fense.

12 “(e) DEFENSE BUSINESS COUNCIL.—

13 “(1) REQUIREMENT FOR COUNCIL.—The Sec-
14 retary shall establish a Defense Business Council to
15 provide advice to the Secretary on developing the de-
16 fense business enterprise architecture, reengineering
17 the Department’s business processes, and require-
18 ments for defense business systems. The Council
19 shall be chaired by the Deputy Chief Management
20 Officer and the Chief Information Officer of the De-
21 partment of Defense.

22 “(2) MEMBERSHIP.—The membership of the
23 Council shall include the following:

24 “(A) The Chief Management Officers of
25 the military departments, or their designees.

1 “(B) The following officials of the Depart-
2 ment of Defense, or their designees:

3 “(i) The Under Secretary of Defense
4 for Acquisition, Technology, and Logistics
5 with respect to acquisition, logistics, and
6 installations management processes.

7 “(ii) The Under Secretary of Defense
8 (Comptroller) with respect to financial
9 management and planning and budgeting
10 processes.

11 “(iii) The Under Secretary of Defense
12 for Personnel and Readiness with respect
13 to human resources management proc-
14 esses.

15 “(f) APPROVALS REQUIRED FOR DEVELOPMENT.—

16 “(1) INITIAL APPROVAL REQUIRED.—The Sec-
17 retary shall ensure that a covered defense business
18 system program cannot proceed into development
19 (or, if no development is required, into production or
20 fielding) unless the appropriate approval official (as
21 specified in paragraph (2)) has determined that the
22 covered defense business system concerned—

23 “(A) supports a business process that has
24 been, or is being as a result of the acquisition
25 program, reengineered to be as streamlined and

1 efficient as practicable consistent with the guid-
2 ance issued pursuant to subsection (b), includ-
3 ing business process mapping;

4 “(B) is in compliance with the defense
5 business enterprise architecture developed pur-
6 suant to subsection (d) or will be in compliance
7 as a result of modifications planned;

8 “(C) has valid, achievable requirements;
9 and

10 “(D) is in compliance with the Depart-
11 ment’s auditability requirements.

12 “(2) APPROPRIATE OFFICIAL.—For purposes of
13 paragraph (1), the appropriate approval official with
14 respect to a covered defense business system is the
15 following:

16 “(A) In the case of a system of a military
17 department, the Chief Management Officer of
18 that military department.

19 “(B) In the case of a system of a Defense
20 Agency or Defense Field Activity or a system
21 that will support the business process of more
22 than one military department or Defense Agen-
23 cy or Defense Field Activity, the Deputy Chief
24 Management Officer of the Department of De-
25 fense.

1 “(C) In the case of any system, such offi-
2 cial other than the applicable official under sub-
3 paragraph (A) or (B) as the Secretary des-
4 ignates for such purpose.

5 “(3) ANNUAL CERTIFICATION.—For any fiscal
6 year in which funds are expended for development
7 pursuant to a covered defense business system pro-
8 gram, the Defense Business Council shall review the
9 system and certify (or decline to certify as the case
10 may be) that it continues to satisfy the requirements
11 of paragraph (1). If the Council determines that cer-
12 tification cannot be granted, the chairman of the
13 Council shall notify the Appropriate Approving Offi-
14 cial and the acquisition Milestone Decision Authority
15 for the program and provide a recommendation for
16 corrective action.

17 “(4) OBLIGATION OF FUNDS IN VIOLATION OF
18 REQUIREMENTS.—The obligation of Department of
19 Defense funds for a covered defense business system
20 program that has not been certified in accordance
21 with paragraph (3) is a violation of section
22 1341(a)(1)(A) of title 31.

23 “(g) RESPONSIBILITY OF MILESTONE DECISION AU-
24 THORITY.—The Secretary shall ensure that, as part of the
25 defense acquisition system, the requirements of this sec-

1 tion are fully addressed by the Milestone Decision Author-
2 ity for a covered defense business system program as ac-
3 quisition process approvals are considered for such system.

4 “(h) ANNUAL REPORT.—Not later than March 15 of
5 each year from 2016 through 2020, the Secretary shall
6 submit to the congressional defense committees a report
7 on activities of the Department of Defense pursuant to
8 this section. Each report shall include the following:

9 “(1) A description of actions taken and planned
10 with respect to the guidance required by subsection
11 (b) and the defense business enterprise architecture
12 developed pursuant to subsection (d).

13 “(2) A description of actions taken and planned
14 for the reengineering of business processes by the
15 Defense Business Council established pursuant to
16 subsection (e).

17 “(3) A summary of covered defense business
18 system funding and covered defense business sys-
19 tems approved pursuant to subsection (f).

20 “(4) Identification of any covered defense busi-
21 ness system program that during the preceding fis-
22 cal year was reviewed and not approved pursuant to
23 subsection (f) and the reasons for the lack of ap-
24 proval.

1 “(5) Identification of any covered defense busi-
2 ness system program that during the preceding fis-
3 cal year failed to achieve initial operational capa-
4 bility within five years of when the program received
5 Milestone B approval.

6 “(6) For any program identified under para-
7 graph (5), a description of the plan to address the
8 issues which caused the failure.

9 “(7) A discussion of specific improvements in
10 business operations and cost savings resulting from
11 successful covered defense business systems pro-
12 grams.

13 “(8) A copy of the most recent report of the
14 Chief Management Officer of each military depart-
15 ment on implementation of business transformation
16 initiatives by such military department in accordance
17 with section 908 of the Duncan Hunter National
18 Defense Authorization Act for Fiscal Year 2009
19 (Public Law 110–417; 122 Stat. 4569; 10 U.S.C.
20 2222 note).

21 “(i) DEFINITIONS.—In this section:

22 “(1)(A) DEFENSE BUSINESS SYSTEM.—The
23 term ‘defense business system’ means an informa-
24 tion system that is operated by, for, or on behalf of

1 the Department of Defense, including any of the fol-
2 lowing:

3 “(i) A financial system.

4 “(ii) A financial data feeder system.

5 “(iii) A contracting system.

6 “(iv) A logistics system.

7 “(v) A planning and budgeting system.

8 “(vi) An installations management system.

9 “(vii) A human resources management sys-
10 tem.

11 “(viii) A training and readiness system.

12 “(B) The term does not include—

13 “(i) a national security system; or

14 “(ii) an information system used exclu-
15 sively by and within the defense commissary
16 system or the exchange system or other instru-
17 mentality of the Department of Defense con-
18 ducted for the morale, welfare, and recreation
19 of members of the armed forces using non-
20 appropriated funds.

21 “(2) COVERED DEFENSE BUSINESS SYSTEM.—

22 The term ‘covered defense business system’ means a
23 defense business system that is expected to have a
24 total amount of budget authority over the period of
25 the current future-years defense program submitted

1 to Congress under section 221 of this title, in excess
2 of the threshold established for the use of special
3 simplified acquisition procedures pursuant to section
4 2304(g)(1)(B) of this title.

5 “(3) COVERED DEFENSE BUSINESS SYSTEM
6 PROGRAM.—The term ‘covered defense business sys-
7 tem program’ means a defense acquisition program
8 to develop and field a covered defense business sys-
9 tem or an increment of a covered defense business
10 system.

11 “(4) ENTERPRISE ARCHITECTURE.—The term
12 ‘enterprise architecture’ has the meaning given that
13 term in section 3601(4) of title 44.

14 “(5) INFORMATION SYSTEM.—The term ‘infor-
15 mation system’ has the meaning given that term in
16 section 11101 of title 40.

17 “(6) NATIONAL SECURITY SYSTEM.—The term
18 ‘national security system’ has the meaning given
19 that term in section 3542(b)(2) of title 44.

20 “(7) MILESTONE DECISION AUTHORITY.—The
21 term ‘Milestone Decision Authority’, with respect to
22 a defense acquisition program, means the individual
23 within the Department of Defense designated with
24 the responsibility to grant milestone approvals for
25 that program.

1 mission of the existing system, or (ii) the mission of
2 the system is eliminated and the system is disposed
3 of”;

4 (2) in subparagraph (D), by inserting
5 “sustainment of core logistics capabilities specified
6 in section 2464 of this title and” after “ensure”;

7 (3) by striking “and” at the end of subpara-
8 graph (H);

9 (4) by striking the period at the end of sub-
10 paragraph (I) and inserting a semicolon; and

11 (5) by adding at the end the following new sub-
12 paragraphs:

13 “(J) make a determination regarding the
14 applicability of preservation and storage of
15 unique tooling associated with the production of
16 program-specific hardware, if relevant, includ-
17 ing a plan for the preservation, storage, or dis-
18 posal of all production tooling; and

19 “(K) identify obsolete electronic parts that
20 are included in the specifications of the system
21 being acquired and determine suitable replace-
22 ments for such parts.”.

23 (b) CORE LOGISTICS CAPABILITIES.—Section 2464
24 of such title is amended—

1 (1) by redesignating subsections (d) and (e) as
2 subsections (e) and (f), respectively; and

3 (2) by inserting after subsection (c) the fol-
4 lowing new subsection (d):

5 “(d) ACQUISITION MANAGEMENT INFORMATION RE-
6 QUIREMENTS.—The Secretary of Defense shall ensure
7 that, when milestone approval for a major defense acquisi-
8 tion program is under consideration, matters relating to
9 core logistics capabilities are considered as follows:

10 “(1) Before Milestone A approval for the pro-
11 gram is granted, an analysis of the applicability of
12 core logistics capabilities requirements to the pro-
13 gram shall be considered.

14 “(2) Before Milestone B approval for the pro-
15 gram is granted, an estimate of the requirements for
16 core logistics capabilities for the program, and the
17 associated sustaining workloads required to support
18 such requirements, shall be considered.

19 “(3) Before approval is granted for the pro-
20 gram to enter low-rate initial production, a descrip-
21 tion of requirements for core depot-level mainte-
22 nance and repair capabilities, as well as the associ-
23 ated logistics capabilities and the associated sus-
24 taining workloads required to support such require-
25 ments, shall be considered.”.

1 (c) CONFORMING REPEALS AND AMENDMENTS.—

2 (1)(A) Section 2437 of title 10, United States
3 Code, is repealed.

4 (B) The table of sections at the beginning of
5 chapter 144 is amended by striking the item relating
6 to section 2437.

7 (2) Section 815 of the Duncan Hunter National
8 Defense Authorization Act for Fiscal Year 2009
9 (Public Law 110–417; 122 Stat. 4530) is repealed.

10 (3) Section 803(b) of the National Defense Au-
11 thorization Act for Fiscal Year 2014 (Public Law
12 113–66; 10 U.S.C. prec. 2571 note) is amended—

13 (A) by inserting “and” at the end of para-
14 graph (3);

15 (B) striking “; and” at the end of para-
16 graph (4) and inserting a period; and

17 (C) by striking paragraph (5).

18 **SEC. 826. ACQUISITION STRATEGY REQUIRED FOR EACH**

19 **MAJOR DEFENSE ACQUISITION PROGRAM.**

20 (a) CONSOLIDATION OF REQUIREMENTS RELATING
21 TO ACQUISITION STRATEGY.—

22 (1) NEW TITLE 10 SECTION.—Chapter 144 of
23 title 10, United States Code, is amended by insert-
24 ing after section 2431 the following new section:

1 **“§ 2431a. Acquisition strategy**

2 “(a) REQUIREMENT.—(1) There shall be an acquisi-
3 tion strategy for each major defense acquisition program.
4 The acquisition strategy for a major defense acquisition
5 program shall be reviewed by the Milestone Decision Au-
6 thority for the program at each time specified in para-
7 graph (2). The Milestone Decision Authority may approve,
8 disapprove, or revise the acquisition strategy at any such
9 time.

10 “(2) The times at which the acquisition strategy for
11 a major defense acquisition program shall be reviewed by
12 the Milestone Decision Authority for the program under
13 paragraph (1) are the following:

14 “(A) Program initiation.

15 “(B) Each subsequent milestone.

16 “(C) Full-Rate Production Decision Review.

17 “(D) Any other time considered relevant by the
18 Milestone Decision Authority.

19 “(b) CONSIDERATIONS.—The acquisition strategy for
20 a major defense acquisition program shall present a top-
21 level description of the business and technical manage-
22 ment approach designed to achieve the objectives of the
23 program within the resource constraints imposed. The
24 strategy shall clearly express the program manager’s ap-
25 proach to the program in sufficient detail to allow the
26 Milestone Decision Authority to assess the viability of ap-

1 proach, implementation of laws and policies, and program
2 objectives. The content and review and approval process
3 for the acquisition strategy for a major defense acquisition
4 program shall be issued and maintained by the Under Sec-
5 retary of Defense for Acquisition, Technology, and Logis-
6 tics; however, the acquisition strategy should consider the
7 following:

8 “(1) Tailoring.

9 “(2) Acquisition approach, including industrial
10 base considerations in accordance with section 2440
11 of this title and, if applicable, plans for increments
12 or evolutionary acquisition.

13 “(3) Risk management, in accordance with sec-
14 tion 203 of the Weapon Systems Acquisition Reform
15 Act of 2009 (Public Law 111–23; 10 U.S.C. 2430
16 note).

17 “(4) Business strategy, including measures to
18 ensure competition in accordance with section 202 of
19 the Weapon Systems Acquisition Reform Act of
20 2009 (Public Law 111–23; 10 U.S.C. 2430 note).

21 “(5) Contracting strategy, including sources,
22 contract bundling, if applicable, and small business
23 participation.

24 “(6) Intellectual property strategy, in accord-
25 ance with section 2320 of this title.

1 “(7) International involvement, including For-
2 eign Military Sales and Cooperative Opportunities,
3 in accordance with section 2350a of this title.

4 “(c) In this section, the term ‘Milestone Decision Au-
5 thority’, with respect to a major defense acquisition pro-
6 gram, means the official within the Department of De-
7 fense designated with the overall responsibility and au-
8 thority for acquisition decisions for the program, including
9 authority to approve entry of the program into the next
10 phase of the acquisition process.”.

11 (2) CLERICAL AMENDMENT.—The table of sec-
12 tions at the beginning of such chapter is amended
13 by inserting after the item relating to section 2431
14 the following new item:

“2431a. Acquisition strategy.”.

15 (b) CONFORMING AMENDMENTS.—

16 (1) Section 2350a(e) of such title is amended—

17 (A) in the subsection heading, by striking
18 “DOCUMENT”;

19 (B) in paragraph (1), by striking “the
20 Under Secretary of Defense for” and all that
21 follows through “of the Board” and inserting
22 “opportunities for such cooperative research
23 and development shall be addressed in the ac-
24 quisition strategy for the project”;

25 (C) in paragraph (2)—

- 1 (i) in the matter preceding subpara-
2 graph (A)—
- 3 (I) by striking “document” and
4 inserting “discussion”; and
- 5 (II) by striking “include” and in-
6 sserting “consider”;
- 7 (ii) in subparagraph (A), by striking
8 “A statement indicating”;
- 9 (iii) in subparagraph (B)—
- 10 (I) by striking “by the Under
11 Secretary of Defense for Acquisition,
12 Technology, and Logistics”; and
- 13 (II) by striking “of the United
14 States under consideration by the De-
15 partment of Defense”; and
- 16 (iv) in subparagraph (D)—
- 17 (I) by striking “The” and insert-
18 ing “A”;
- 19 (II) by striking “of” and insert-
20 ing “to”; and
- 21 (III) by striking “Under Sec-
22 retary” and inserting “Milestone De-
23 cision Authority”.

1 (2) Section 803 of the Bob Stump National De-
2 fense Authorization Act for Fiscal Year 2003 (Pub-
3 lic Law 107–314; 10 U.S.C. 2430 note) is repealed.

4 **SEC. 827. REVISION TO REQUIREMENTS RELATING TO RISK**
5 **REDUCTION IN DEVELOPMENT OF MAJOR**
6 **DEFENSE ACQUISITION PROGRAMS.**

7 Section 203 of the Weapon Systems Acquisition Re-
8 form Act of 2009 is amended to read as follows:

9 **“SEC. 203. RISK REDUCTION IN MAJOR DEFENSE ACQUI-**
10 **SION PROGRAMS.**

11 “(a) **GUIDANCE ON RISK REDUCTION IN MAJOR DE-**
12 **FENSE ACQUISITION PROGRAMS.**—The Secretary of De-
13 fense shall ensure that the acquisition strategy for each
14 major defense acquisition program for which development
15 activities are required includes the following:

16 “(1) A comprehensive approach to identifying
17 and addressing risk (including technical, cost and
18 schedule risk) during the period preceding full rate
19 production as a means to improve programmatic de-
20 cision making and appropriately manage program
21 concurrency.

22 “(2) Documentation of the major sources of
23 risk identified and the approach to retiring that risk.

24 “(b) **ELEMENTS OF COMPREHENSIVE APPROACH TO**
25 **RISK REDUCTION.**—The elements of a comprehensive ap-

1 proach to identifying and addressing risk for purposes of
2 subsection (a)(1) shall include some combination of the
3 following as appropriate for the item or system being ac-
4 quired:

5 “(1) Development planning.

6 “(2) Systems engineering.

7 “(3) Integrated developmental and operational
8 test.

9 “(4) Preliminary and critical design reviews and
10 technical reviews.

11 “(5) Prototyping (including prototyping at the
12 system or subsystem level and competitive proto-
13 typing, where appropriate).

14 “(6) Modeling and simulation.

15 “(7) Technology demonstrations and technology
16 off ramps.

17 “(8) Multiple design approaches.

18 “(9) Alternative, lower risk reduced perform-
19 ance designs.

20 “(10) Independent risk element assessments by
21 outside subject matter experts.

22 “(11) Program phasing to address high risk
23 areas as early as possible.”.

1 **Subtitle D—Other Matters**

2 **SEC. 831. EXTENSION OF THE DEPARTMENT OF DEFENSE**
3 **MENTOR-PROTÉGÉE PILOT PROGRAM.**

4 Section 831(j) of the National Defense Authorization
5 Act for Fiscal Year 1991 (10 U.S.C. 2302 note) is amend-
6 ed—

7 (1) in paragraph (1), by striking “September
8 30, 2015” and inserting “September 30, 2020”; and

9 (2) in paragraph (2), by striking “September
10 30, 2018” and inserting “September 30, 2023”.

11 **SEC. 832. STREAMLINING OF REPORTING REQUIREMENTS**
12 **APPLICABLE TO ASSISTANT SECRETARY OF**
13 **DEFENSE FOR RESEARCH AND ENGINEERING**
14 **REGARDING MAJOR DEFENSE ACQUISITION**
15 **PROGRAMS.**

16 (a) REPORTING TO UNDER SECRETARY OF DEFENSE
17 FOR ACQUISITION, TECHNOLOGY, AND LOGISTICS BE-
18 FORE MILESTONE B APPROVAL.—Subparagraph (A) of
19 paragraph (8) of section 138(b) of title 10, United States
20 Code, as amended by section 901(h)(2) of the Carl Levin
21 and Howard P. “Buck” McKeon National Defense Au-
22 thorization Act for Fiscal Year 2015 (Public Law 113–
23 291; 128 Stat. YYYY), is amended—

24 (1) by striking “periodically”;

1 (A) by striking “The Secretary” and in-
2 serting “After apportioning funds available for
3 assistance under this chapter for any fiscal year
4 for efficient coverage of distressed areas re-
5 ferred to in section 2411(2)(B) of this title by
6 programs operated by eligible entities referred
7 to in section 2411(1)(D) of this title, the Sec-
8 retary”;

9 (B) by inserting “the remaining” before
10 “funds available”; and

11 (C) by striking “Department of Defense
12 contract administration services district” and
13 inserting “State”; and

14 (2) in the second sentence—

15 (A) by striking “district” each place it ap-
16 pears and inserting “State”; and

17 (B) by striking “districts” and inserting
18 “States”.

1 **TITLE IX—DEPARTMENT OF DE-**
2 **FENSE ORGANIZATION AND**
3 **MANAGEMENT**

4 **SEC. 901. CHANGE OF PERIOD FOR CHAIRMAN OF THE**
5 **JOINT CHIEFS OF STAFF REVIEW OF THE**
6 **UNIFIED COMMAND PLAN TO NOT LESS THAN**
7 **EVERY FOUR YEARS.**

8 Section 161(b)(1) of title 10, United States Code, is
9 amended by striking “two years” and inserting “four
10 years”.

11 **SEC. 902. UPDATE OF STATUTORY SPECIFICATION OF**
12 **FUNCTIONS OF THE CHAIRMAN OF THE**
13 **JOINT CHIEFS OF STAFF RELATING TO AD-**
14 **VICE ON REQUIREMENTS, PROGRAMS, AND**
15 **BUDGET.**

16 Section 153(a)(4) of title 10, United States Code, is
17 amended by adding at the end the following new subpara-
18 graph:

19 “(H) Advising the Secretary on development of
20 joint command, control, communications, and cyber
21 capability, including integration and interoperability
22 of such capability, through requirements, integrated
23 architectures, data standards, and assessments.”.

1 **TITLE X—GENERAL PROVISIONS**

2 **Subtitle A—Financial Matters**

3 **SEC. 1001. ENHANCEMENT OF INTERAGENCY SUPPORT**
4 **DURING CONTINGENCY OPERATIONS AND**
5 **TRANSITION PERIODS.**

6 (a) **AUTHORITY.**—The Secretary of Defense and the
7 Secretary of State may enter into an agreement under
8 which each Secretary may provide covered support, sup-
9 plies, and services on a reimbursement basis, or by ex-
10 change of covered support, supplies, and services, to the
11 other Secretary during a contingency operation and re-
12 lated transition period for up to two years following the
13 end of such contingency operation.

14 (b) **AGREEMENT.**—An agreement entered into under
15 this section shall be in writing and shall include the fol-
16 lowing terms:

17 (1) The price charged by a supplying agency
18 shall be the direct costs that such agency incurred
19 by providing the covered support, supplies, or serv-
20 ices to the requesting agency under this section.

21 (2) Credits and liabilities of the agencies ac-
22 crued as a result of acquisitions and transfers of
23 covered support, supplies, and services under this
24 section shall be liquidated not less often than once
25 every 3 months by direct payment to the agency

1 supplying such support, supplies, or services by the
2 agency receiving such support, supplies, or services.

3 (3) Exchange entitlements accrued as a result
4 of acquisitions and transfers of covered support,
5 supplies, and services under this section shall be sat-
6 isfied within 12 months after the date of the delivery
7 of the covered support, supplies, or services. Ex-
8 change entitlements not so satisfied shall be imme-
9 diately liquidated by direct payment to the agency
10 supplying such covered support, supplies, or services.

11 (c) EFFECT OF OBLIGATION AND AVAILABILITY OF
12 FUNDS.—An order placed by an agency pursuant to an
13 agreement under this section is deemed to be an obligation
14 in the same manner that a similar order or contract placed
15 with a private contractor is an obligation. Appropriations
16 remain available to pay an obligation to the servicing
17 agency in the same manner as appropriations remain
18 available to pay an obligation to a private contractor.

19 (d) DEFINITIONS.—In this section:

20 (1) The term “covered support, supplies, and
21 services” means food, billeting, transportation (in-
22 cluding airlift), petroleum, oils, lubricants, commu-
23 nications services, medical services, ammunition,
24 base operations support (and construction incident
25 to base operations support), use of facilities, spare

1 parts and components, repair and maintenance serv-
2 ices, and calibration services.

3 (2) The term “contingency operation” has the
4 meaning given that term in section 101(a)(13) of
5 title 10, United States Code.

6 (e) CREDITING OF RECEIPTS.—Any receipt as a re-
7 sult of an agreement entered into under this section shall
8 be credited, at the option of the Secretary of Defense with
9 respect to the Department of Defense and the Secretary
10 of State with respect to the Department of State, to—

11 (1) the appropriation, fund, or account used in
12 incurring the obligation; or

13 (2) an appropriate appropriation, fund, or ac-
14 count currently available for the purposes for which
15 the expenditures were made.

16 **Subtitle C—Naval Vessels and** 17 **Shipyards**

18 **SEC. 1021. EXTENSION OF AUTHORITY FOR REIMBURSE-** 19 **MENT OF EXPENSES FOR CERTAIN NAVY** 20 **MESS OPERATIONS AFLOAT.**

21 (a) EXTENSION.—Subsection (b) of section 1014 of
22 the Duncan Hunter National Defense Authorization Act
23 for Fiscal Year 2009 (Public Law 110–417; 122 Stat.
24 4585), as amended by section 1021 of the Ike Skelton Na-
25 tional Defense Authorization Act for Fiscal Year 2011

1 (Public Law 111–383, 124 Stat. 4348), is amended by
2 striking “September 30, 2015” and inserting “September
3 30, 2020”.

4 (b) TECHNICAL AND CLARIFYING AMENDMENTS.—
5 Subsection (a) of such section is amended—

6 (1) in the matter preceding paragraph (1), by
7 striking “not more than” and inserting “not more
8 than”; and

9 (2) in paragraph (2), by striking “Naval ves-
10 sels” and inserting “such vessels”.

11 **SEC. 1022. REFUELING AND COMPLEX OVERHAUL OF NIM-**
12 **ITZ-CLASS AIRCRAFT CARRIERS.**

13 (a) OVERHAUL EXECUTION AUTHORITY.—The Sec-
14 retary of the Navy is authorized to carry out a nuclear
15 refueling and complex overhaul on each of the following
16 Nimitz-class aircraft carriers:

17 (1) U.S.S. George Washington (CVN–73).

18 (2) U.S.S. John C. Stennis (CVN–74).

19 (3) U.S.S. Harry S. Truman (CVN–75).

20 (4) U.S.S. Ronald Reagan (CVN–76).

21 (5) U.S.S. George H.W. Bush (CVN–77).

22 Each such refueling and overhaul shall be carried out from
23 amounts appropriated or otherwise made available within
24 Shipbuilding and Conversion, Navy, for refueling the Nim-
25 itz-class aircraft carriers.

1 (b) SPECIAL FUNDING AUTHORITY WHEN A CON-
2 TINUING RESOLUTION IS IN EFFECT.—Unless expressly
3 prohibited in a continuing resolution enacted after this
4 date, if advance procurement funds are appropriated for
5 a fiscal year to begin a refueling and complex overhaul
6 on a Nimitz-class aircraft carrier identified in subsection
7 (a), then Shipbuilding and Conversion, Navy, appropria-
8 tions in the amounts contained in the President’s Budget
9 for that refueling and complex overhaul for the following
10 Fiscal Year shall be available for obligation under a con-
11 tinuing resolution enacted for the following fiscal year to
12 continue the refueling and complex overhaul on that air-
13 craft carrier.

14 (c) INCREMENTAL FUNDING AUTHORITY.—The Sec-
15 retary of the Navy is authorized to incrementally fund
16 contracts entered into for a nuclear refueling and complex
17 overhaul authorized in subsection (a), for a period not to
18 exceed six years after advance procurement funds for the
19 nuclear refueling and complex overhaul effort are first ob-
20 ligated, from amounts appropriated or otherwise made
21 available within Shipbuilding and Conversion, Navy for re-
22 fueling the Nimitz-class aircraft carriers.

23 (d) CONDITION FOR OUT-YEAR CONTRACT PAY-
24 MENTS.—A contract entered into under subsection (c)
25 shall provide that any obligation of the United States to

1 make a payment under a contract for carrier refueling in
2 a fiscal year subsequent to the initial year of contract exe-
3 cution is subject to the availability of appropriations.

4 **Subtitle D—Other Matters**

5 **SEC. 1041. TRANSFER OF FUNCTIONS OF THE VETERANS’** 6 **ADVISORY BOARD ON DOSE RECONSTRUC-** 7 **TION TO THE SECRETARIES OF VETERANS** 8 **AFFAIRS AND DEFENSE.**

9 Section 601 of the Veterans Benefits Act of 2003
10 (Public Law 108–183; 117 Stat. 2667; 38 U.S.C. 1154
11 note) is amended to read as follows:

12 **“SEC. 601. RADIATION DOSE RECONSTRUCTION PROGRAM** 13 **OF THE DEPARTMENT OF DEFENSE.**

14 “(a) REVIEW AND OVERSIGHT.—The Secretary of
15 Veterans Affairs and the Secretary of Defense shall jointly
16 take appropriate actions to ensure the on-going inde-
17 pendent review and oversight of the Radiation Dose Re-
18 construction Program of the Department of Defense.

19 “(b) DUTIES.—In carrying out subsection (a), the
20 Secretaries shall—

21 “(1) conduct periodic, random audits of dose
22 reconstructions under the Radiation Dose Recon-
23 struction Program and of decisions by the Depart-
24 ment of Veterans Affairs on claims for service con-
25 nection of radiogenic diseases;

1 2015 (Public Law 113–291; 128 Stat. zzz), is further
2 amended by striking “2016” and inserting “2017”.

3 **SEC. 1102. AUTHORITY TO PROVIDE ADDITIONAL ALLOW-**
4 **ANCES AND BENEFITS FOR DEFENSE CLAN-**
5 **DESTINE SERVICE EMPLOYEES.**

6 Section 1603 of title 10, United States Code, is
7 amended by adding at the end the following new sub-
8 section:

9 “(c) **ADDITIONAL ALLOWANCES AND BENEFITS FOR**
10 **EMPLOYEES OF THE DEFENSE CLANDESTINE SERV-**
11 **ICE.**—In addition to the authority to provide compensation
12 under subsection (a), the Secretary of Defense may pro-
13 vide an employee in a defense intelligence position who is
14 assigned to the Defense Clandestine Service allowances
15 and benefits under paragraph (1) of section 9904 of title
16 5 without regard to the limitations in that section—

17 “(1) that the employee be assigned to activities
18 outside the United States; or

19 “(2) that the activities to which the employee is
20 assigned be in support of Department of Defense ac-
21 tivities abroad.”.

1 **SEC. 1103. EXTENSION OF RATE OF OVERTIME PAY FOR DE-**
2 **PARTMENT OF THE NAVY EMPLOYEES PER-**
3 **FORMING WORK ABOARD OR DOCKSIDE IN**
4 **SUPPORT OF THE NUCLEAR-POWERED AIR-**
5 **CRAFT CARRIER FORWARD DEPLOYED IN**
6 **JAPAN.**

7 Subparagraph (B) of section 5542(a)(6) of title 5,
8 United States Code, is amended by striking “September
9 30, 2015” and inserting “September 30, 2017”.

10 **TITLE XII—MATTERS RELATING**
11 **TO FOREIGN NATIONS**

12 **SEC. 1201. EXTENSION OF AUTHORITY TO SUPPORT OPER-**
13 **ATIONS AND ACTIVITIES OF THE OFFICE OF**
14 **SECURITY COOPERATION-IRAQ.**

15 (a) **EXTENSION OF AUTHORITY.**—Subsection (f)(1)
16 of section 1215 of the National Defense Authorization Act
17 for Fiscal Year 2012 (Public Law 112–81; 10 U.S.C. 113
18 note) is amended by striking “fiscal year 2015” and in-
19 serting “fiscal year 2016”.

20 (b) **AMOUNT AVAILABLE.**—Such section is further
21 amended—

22 (1) in subsection (c), by striking “fiscal year
23 2015” and all that follows and inserting “fiscal year
24 2016 may not exceed \$143,000,000.”; and

25 (2) in subsection (d), by striking “fiscal year
26 2015” and inserting “fiscal year 2016”.

1 (c) REPEAL OF EXPIRED REPORTING REQUIRE-
2 MENT.—Subsection (g) of such section is repealed.

3 **SEC. 1202. EXTENSION OF AUTHORITY FOR REIMBURSE-**
4 **MENT OF CERTAIN COALITION NATIONS FOR**
5 **SUPPORT PROVIDED TO UNITED STATES**
6 **MILITARY OPERATIONS.**

7 (a) EXTENSION OF AUTHORITY.—Subsection (a) of
8 section 1233 of the National Defense Authorization Act
9 for Fiscal Year 2008 (Public Law 110–181; 122 Stat.
10 393), as most recently amended by section 1222 of the
11 National Defense Authorization Act for Fiscal Year 2015
12 (Public Law 113–291; 128 Stat. yyy), is further amended
13 by striking “fiscal year 2015” and inserting “fiscal year
14 2016”.

15 (b) AMOUNTS AVAILABLE.—Subsection (d)(1) of
16 such section is amended—

17 (1) by striking “during fiscal year 2015 may
18 not exceed \$1,200,000,000” and inserting “during
19 fiscal year 2016 may not exceed \$1,260,000,000”;
20 and

21 (2) by striking the third sentence.

1 **SEC. 1203. EXTENSION OF AUTHORITY TO TRANSFER DE-**
2 **ENSE ARTICLES AND PROVIDE DEFENSE**
3 **SERVICES TO THE MILITARY AND SECURITY**
4 **FORCES OF AFGHANISTAN.**

5 (a) EXTENSION.—Subsection (h) of section 1222 of
6 the National Defense Authorization Act for Fiscal Year
7 2013 (Public Law 112–239; 126 Stat. 1992), as amended
8 by section 1231 of the Carl Levin and Howard P. “Buck”
9 McKeon National Defense Authorization Act for Fiscal
10 Year 2015 (Public Law 113–291; 128 Stat. XXX), is fur-
11 ther amended by striking “December 31, 2015” and in-
12 serting “December 31, 2016”.

13 (b) EXCESS DEFENSE ARTICLES.—Subsection (i)(2)
14 of such section is amended by striking “During fiscal
15 years 2013, 2014, and 2015” in subparagraphs (A) and
16 (B) and inserting “Through December 31, 2016”.

17 **SEC. 1204. AUTHORITY FOR ACCEPTANCE AND USE OF CON-**
18 **TRIBUTIONS FROM KUWAIT FOR CERTAIN**
19 **MUTUALLY BENEFICIAL PROJECTS.**

20 (a) AUTHORITY.—Subchapter II of chapter 138 of
21 title 10, United States Code, is amended by adding at the
22 end the following new section:

1 **“§ 2350n. Construction, maintenance, and repair**
2 **projects mutually beneficial to the De-**
3 **partment of Defense and Kuwait Armed**
4 **Forces**

5 “(a) **AUTHORITY TO ACCEPT CONTRIBUTIONS.**—The
6 Secretary of Defense, after consultation with the Secretary
7 of State, may accept cash contributions from the State
8 of Kuwait, for the purposes specified in subsection (c).

9 “(b) **ACCOUNTING.**—Contributions accepted under
10 subsection (a) shall be placed in an account established
11 by the Secretary of Defense and shall remain available
12 until expended for the purposes specified in subsection (c).

13 “(c) **AVAILABILITY OF CONTRIBUTIONS.**—Contribu-
14 tions accepted under subsection (a) shall be available only
15 for payment of costs in connection with mutually beneficial
16 construction (including military construction not otherwise
17 authorized by law), maintenance, and repair projects in
18 Kuwait.

19 “(d) **MUTUALLY BENEFICIAL DEFINED.**—A project
20 shall be considered to be ‘mutually beneficial’ for purposes
21 of this section if—

22 “(1) the project is in support of a bilateral
23 United States and Kuwait defense cooperation
24 agreement; or

1 **SEC. 1206. INCREASE IN THRESHOLDS FOR DEFINITION OF**
2 **MAJOR DEFENSE EQUIPMENT FOR PUR-**
3 **POSES OF ARMS EXPORT CONTROL ACT.**

4 Section 47(6) of the Arms Export Control Act (22
5 U.S.C. 2794(6)) is amended—

6 (1) by striking “\$50,000,000” and inserting
7 “\$200,000,000”; and

8 (2) by striking “\$200,000,000” and inserting
9 “\$800,000,000”.

10 **SEC. 1207. MAINTENANCE OF PROHIBITION ON PROCURE-**
11 **MENT BY DEPARTMENT OF DEFENSE OF**
12 **COMMUNIST CHINESE-ORIGIN ITEMS THAT**
13 **MEET THE DEFINITION OF GOODS AND SERV-**
14 **ICES CONTROLLED AS MUNITIONS ITEMS**
15 **WHEN MOVED TO THE “600 SERIES” OF THE**
16 **COMMERCE CONTROL LIST.**

17 (a) IN GENERAL.—Section 1211 of the National De-
18 fense Authorization Act for Fiscal Year 2006 (Public Law
19 109–163; 10 U.S.C. 2302 note) is amended—

20 (1) in subsection (b), by inserting “or in the
21 600 series of the control list of the Export Adminis-
22 tration Regulations” after “in Arms Regulations,”;
23 and

24 (2) in subsection (e), by adding at the end the
25 following new paragraph:

1 “(3) The term ‘600 series of the control list of
2 the Export Administration Regulations’ means the
3 600 series of the Commerce Control List contained
4 in Supplement No. 1 to part 774 of subtitle B of
5 title 15 of the Code of Federal Regulations.”.

6 (b) TECHNICAL CORRECTIONS TO ITAR REF-
7 ERENCES.—Subsections (b) and (e)(2) of such section are
8 amended by striking “Trafficking” and inserting “Traf-
9 fic”.

10 **SEC. 1208. MODIFICATION OF GLOBAL LIFT AND SUSTAIN**
11 **TO SUPPORT PARTNERS AND ALLIES.**

12 Subsection (b) of section 127d of title 10, United
13 States Code, is amended by adding at the end the fol-
14 lowing new paragraph:

15 “(3) Clause (ii) of paragraph (2)(B) does not
16 apply in a case in which the Secretary determines
17 that the provision of assistance is critical to the
18 timely and effective participation of the allied forces
19 in the combined operation.”.

20 **SEC. 1209. REIMBURSEMENTS FOR CERTAIN COUNTER-**
21 **INSURGENCY, COUNTERTERRORISM AND**
22 **STABILIZATION OPERATIONS CARRIED OUT**
23 **BY PAKISTAN.**

24 (a) AUTHORITY.—From funds made available for the
25 Department of Defense for operation and maintenance,

1 the Secretary of Defense, with the concurrence of the Sec-
2 retary of State and in consultation with the Director of
3 the Office of Management and Budget, may provide reim-
4 bursements for counterinsurgency, counterterrorism, and
5 stabilization operations carried out by the Government of
6 Pakistan in its campaign against al-Qaeda, the Tehrik-
7 e-Taliban Pakistan, and associated militants.

8 (b) TYPES OF REIMBURSEMENTS.—Reimbursements
9 made under the authority in subsection (a) may be made,
10 in such amounts as the Secretary of Defense considers ap-
11 propriate, for logistical, military, and other expenditures
12 associated with the operations specified in subsection (a).

13 (c) LIMITATIONS.—

14 (1) PROHIBITION ON CONTRACTUAL OBLIGA-
15 TIONS TO MAKE PAYMENTS.—The Secretary of De-
16 fense may not enter into any contractual obligation
17 to make a reimbursement under the authority in
18 subsection (a).

19 (2) PROHIBITION ON REIMBURSEMENT OF
20 PAKISTAN FOR SUPPORT DURING PERIODS CLOSED
21 TO TRANSSHIPMENT.—The Secretary of Defense
22 may not provide a reimbursement under the author-
23 ity in subsection (a) for claims of support provided
24 during any period when the ground lines of supply
25 through Pakistan were closed to the transshipment

1 of equipment and supplies in support of United
2 States military operations in Afghanistan.

3 (d) NOTICE TO CONGRESSIONAL COMMITTEES.—The
4 Secretary of Defense shall notify the appropriate congress-
5 sional committees not later than 15 days before making
6 any reimbursement under the authority in subsection (a).

7 (e) TERMINATION.—The Secretary of Defense may
8 not use the authority in subsection (a) to provide reim-
9 bursement for any costs that are incurred after September
10 30, 2018.

11 (f) LIMITATION ON REIMBURSEMENTS TO THE GOV-
12 ERNMENT OF PAKISTAN UNDER SECTION 1233 OF THE
13 NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL
14 YEAR 2008.—No reimbursement may be provided to the
15 Government of Pakistan under section 1233 of the Na-
16 tional Defense Authorization Act for Fiscal Year 2008
17 (Public Law 110–181, 122 Stat. 393), as most recently
18 amended by section 1222 of the National Defense Author-
19 ization Act for Fiscal Year 2015 (Public Law 113–291,
20 128 Stat. yyy), for any period during which this section
21 is also in effect.

22 (g) DEFINITIONS.—In this section, the term “appro-
23 priate congressional committees” means—

24 (1) the Committee on Armed Services, the
25 Committee on Foreign Affairs, and the Committee

1 on Appropriations of the House of Representatives;
2 and

3 (2) the Committee on Armed Services, the
4 Committee on Foreign Relations, and the Committee
5 on Appropriations of the Senate.

6 **SEC. 1210. NATO SPECIAL OPERATIONS HEADQUARTERS.**

7 Section 1244(a) of the National Defense Authoriza-
8 tion Act for Fiscal Year 2010 (Public Law 111–84; 123
9 Stat. 2541), as most recently amended by section 1272
10 of the National Defense Authorization Act for Fiscal Year
11 2013 (Public Law 112–239; 126 Stat. 2023), is further
12 amended by striking “for each of fiscal years 2013, 2014,
13 and 2015 pursuant to section 301” and inserting “for any
14 fiscal year”.

15 **SEC. 1211. AFGHANISTAN SECURITY FORCES FUND.**

16 (a) CONTINUATION OF PRIOR AUTHORITIES AND NO-
17 TICE AND REPORTING REQUIREMENTS.—Funds available
18 to the Department of Defense for the Afghanistan Secu-
19 rity Forces Fund for fiscal year 2016 shall be subject to
20 the conditions contained in subsections (b) through (g) of
21 section 1513 of the National Defense Authorization Act
22 for Fiscal Year 2008 (Public Law 110–181; 122 Stat.
23 428), as amended by section 1531(b) of the Ike Skelton
24 National Defense Authorization Act for Fiscal Year 2011
25 (Public Law 111–383; 124 Stat. 4424).

1 (b) EXTENSION OF AUTHORITY TO ACCEPT CERTAIN
2 EQUIPMENT.—Subsection (d)(1) of section 1531 of the
3 National Defense Authorization Act for Fiscal Year 2014
4 (Public Law 113–66; 10 U.S.C. 2302 note) is amended
5 by striking “prior Acts” and inserting “Acts enacted be-
6 fore the date of the enactment of the National Defense
7 Authorization Act for Fiscal Year 2016.”.

8 **TITLE XIV—OTHER**
9 **AUTHORIZATIONS**
10 **Subtitle A—Military Programs**

11 **SEC. 1401. WORKING CAPITAL FUNDS.**

12 Funds are hereby authorized to be appropriated for
13 fiscal year 2016 for the use of the Armed Forces and other
14 activities and agencies of the Department of Defense for
15 providing capital for working capital and revolving funds
16 in the amount of \$1,786,732,000.

17 **SEC. 1402. JOINT URGENT OPERATIONAL NEEDS FUND.**

18 Funds are hereby authorized to be appropriated for
19 fiscal year 2016 for the Joint Urgent Operational Needs
20 Fund in the amount of \$99,701,000.

21 **SEC. 1403. CHEMICAL AGENTS AND MUNITIONS DESTRUC-**
22 **TION, DEFENSE.**

23 (a) AUTHORIZATION OF APPROPRIATIONS.—Funds
24 are hereby authorized to be appropriated for the Depart-
25 ment of Defense for fiscal year 2016 for expenses, not oth-

1 erwise provided for, for Chemical Agents and Munitions
2 Destruction, Defense, in the amount of \$720,721,000, of
3 which—

4 (1) \$139,098,000 is for Operation and Mainte-
5 nance;

6 (2) \$579,342,000 is for Research, Development,
7 Test, and Evaluation; and

8 (3) \$2,281,000 is for Procurement.

9 (b) USE.—Amounts authorized to be appropriated
10 under subsection (a) are authorized for—

11 (1) the destruction of lethal chemical agents
12 and munitions in accordance with section 1412 of
13 the Department of Defense Authorization Act, 1986
14 (50 U.S.C. 1521); and

15 (2) the destruction of chemical warfare materiel
16 of the United States that is not covered by section
17 1412 of such Act.

18 **SEC. 1404. DRUG INTERDICTION AND COUNTER-DRUG AC-**
19 **TIVITIES, DEFENSE-WIDE.**

20 Funds are hereby authorized to be appropriated for
21 the Department of Defense for fiscal year 2016 for ex-
22 penses, not otherwise provided for, for Drug Interdiction
23 and Counter-Drug Activities, Defense-wide, in the amount
24 of \$850,598,000.

1 **SEC. 1405. DEFENSE INSPECTOR GENERAL.**

2 Funds are hereby authorized to be appropriated for
3 the Department of Defense for fiscal year 2016 for ex-
4 penses, not otherwise provided for, for the Office of the
5 Inspector General of the Department of Defense, in the
6 amount of \$316,159,000, of which—

7 (1) \$310,459,000 is for Operation and Mainte-
8 nance;

9 (2) \$4,700,000 is for Research, Development,
10 Test and Evaluation; and

11 (3) \$1,000,000 is for Procurement.

12 **SEC. 1406. DEFENSE HEALTH PROGRAM.**

13 Funds are hereby authorized to be appropriated for
14 the Department of Defense for fiscal year 2016 for ex-
15 penses, not otherwise provided for, for the Defense Health
16 Program, in the amount of \$32,243,328,000, of which—

17 (1) \$30,889,940,000 is for Operation and
18 Maintenance;

19 (2) \$980,101,000 is for Research, Development,
20 Test, and Evaluation; and

21 (3) \$373,287,000 is for Procurement.

1 **Subtitle B—Other Matters**

2 **SEC. 1411. AUTHORITY FOR TRANSFER OF FUNDS TO JOINT**
3 **DEPARTMENT OF DEFENSE—DEPARTMENT OF**
4 **VETERANS AFFAIRS MEDICAL FACILITY DEM-**
5 **ONSTRATION FUND FOR CAPTAIN JAMES A.**
6 **LOVELL HEALTH CARE CENTER, ILLINOIS.**

7 (a) **AUTHORITY FOR TRANSFER OF FUNDS.**—Of the
8 funds authorized to be appropriated for section 506 and
9 available for the Defense Health Program for operation
10 and maintenance, \$120,387,000 may be transferred by the
11 Secretary of Defense to the Joint Department of Defense—
12 Department of Veterans Affairs Medical Facility Dem-
13 onstration Fund established by subsection (a)(1) of sec-
14 tion 1704 of the National Defense Authorization Act for
15 Fiscal Year 2010 (Public Law 111–84; 123 Stat. 2571).
16 For purposes of subsection (a)(2) of such section 1704,
17 any funds so transferred shall be treated as amounts au-
18 thorized and appropriated specifically for the purpose of
19 such a transfer.

20 (b) **USE OF TRANSFERRED FUNDS.**—For the pur-
21 poses of subsection (b) of such section 1704, facility oper-
22 ations for which funds transferred under subsection (a)
23 may be used are operations of the Captain James A.
24 Lovell Federal Health Care Center, consisting of the
25 North Chicago Veterans Affairs Medical Center, the Navy

1 Ambulatory Care Center, and supporting facilities des-
2 ignated as a combined Federal medical facility under an
3 operational agreement covered by section 706 of the Dun-
4 can Hunter National Defense Authorization Act for Fiscal
5 Year 2009 (Public Law 110–417; 122 Stat. 4500).

6 **SEC. 1412. AUTHORIZATION OF APPROPRIATIONS FOR**
7 **ARMED FORCES RETIREMENT HOME.**

8 There is hereby authorized to be appropriated for fis-
9 cal year 2016 from the Armed Forces Retirement Home
10 Trust Fund the sum of \$64,300,000 for the operation of
11 the Armed Forces Retirement Home.

12 **TITLE XV—AUTHORIZATION OF**
13 **ADDITIONAL APPROPRIA-**
14 **TIONS FOR OVERSEAS CON-**
15 **TINGENCY OPERATIONS**

16 **SEC. 1501. PURPOSE.**

17 The purpose of this title is to authorize appropria-
18 tions for the Department of Defense for fiscal year 2016
19 to provide additional funds for overseas contingency oper-
20 ations being carried out by the Armed Forces.

21 **SEC. 1502. ARMY PROCUREMENT.**

22 Funds are hereby authorized to be appropriated for
23 fiscal year 2016 for procurement for the Army in amounts
24 as follows:

25 (1) For aircraft procurement, \$164,987,000.

1 (2) For missile procurement, \$37,260,000.

2 (3) For weapons and tracked combat vehicles,
3 \$26,030,000.

4 (4) For ammunition procurement,
5 \$192,040,000.

6 (5) For other procurement, \$1,205,596,000.

7 **SEC. 1503. JOINT IMPROVISED EXPLOSIVE DEVICE DEFEAT**
8 **FUND.**

9 Funds are hereby authorized to be appropriated for
10 fiscal year 2016 for the Joint Improvised Explosive Device
11 Defeat Fund in the amount of \$493,271,000.

12 **SEC. 1504. NAVY AND MARINE CORPS PROCUREMENT.**

13 Funds are hereby authorized to be appropriated for
14 fiscal year 2016 for procurement for the Navy and Marine
15 Corps in amounts as follows:

16 (1) For aircraft procurement, Navy,
17 \$217,394,000.

18 (2) For weapons procurement, Navy,
19 \$3,344,000.

20 (3) For ammunition procurement, Navy and
21 Marine Corps, \$136,930,000.

22 (4) For other procurement, Navy, \$12,186,000.

23 (5) For procurement, Marine Corps,
24 \$48,934,000.

1 **SEC. 1505. AIR FORCE PROCUREMENT.**

2 Funds are hereby authorized to be appropriated for
3 fiscal year 2016 for procurement for the Air Force in
4 amounts as follows:

5 (1) For aircraft procurement, \$128,900,000.

6 (2) For missile procurement, \$289,142,000.

7 (3) For ammunition procurement,
8 \$228,874,000.

9 (4) For other procurement, \$3,859,964,000.

10 **SEC. 1506. DEFENSE-WIDE ACTIVITIES PROCUREMENT.**

11 Funds are hereby authorized to be appropriated for
12 fiscal year 2016 for the procurement account for Defense-
13 wide activities in the amount of \$212,418,000.

14 **SEC. 1507. RESEARCH, DEVELOPMENT, TEST, AND EVALUA-**
15 **TION.**

16 Funds are hereby authorized to be appropriated for
17 fiscal year 2016 for the use of the Department of Defense
18 for research, development, test, and evaluation as follows:

19 (1) For the Army, \$1,500,000.

20 (2) For the Navy, \$35,747,000.

21 (3) For the Air Force, \$17,100,000.

22 (4) For Defense-wide activities, \$137,087,000.

23 **SEC. 1508. OPERATION AND MAINTENANCE.**

24 Funds are hereby authorized to be appropriated for
25 fiscal year 2016 for the use of the Armed Forces for ex-

1 penses, not otherwise provided for, for operation and
2 maintenance, in amounts as follows:

3 (1) For the Army, \$11,382,750,000.

4 (2) For the Navy, \$5,131,588,000.

5 (3) For the Marine Corps, \$952,534,000.

6 (4) For the Air Force, \$9,090,013,000.

7 (5) For Defense-wide activities,
8 \$5,805,633,000.

9 (6) For the Army Reserve, \$24,559,000.

10 (7) For the Navy Reserve, \$31,643,000.

11 (8) For the Marine Corps Reserve, \$3,455,000.

12 (9) For the Air Force Reserve, \$58,106,000.

13 (10) For the Army National Guard,
14 \$60,845,000.

15 (11) For the Air National Guard, \$19,900,000.

16 (12) For the Afghanistan Security Forces
17 Fund, \$3,762,257,000.

18 (13) For the Counterterrorism Partnerships
19 Fund, \$2,100,000,000.

20 (14) For the Iraq Train and Equip Fund,
21 \$715,000,000.

22 (15) For the Syria Train and Equip Fund,
23 \$600,000,000.

1 **SEC. 1509. MILITARY PERSONNEL.**

2 Funds are hereby authorized to be appropriated for
3 fiscal year 2016 to the Department of Defense for military
4 personnel accounts in the total amount of \$3,204,758,000.

5 **SEC. 1510. WORKING CAPITAL FUNDS.**

6 Funds are hereby authorized to be appropriated for
7 fiscal year 2016 for the use of the Armed Forces and other
8 activities and agencies of the Department of Defense for
9 providing capital for Defense Working Capital Funds in
10 the amount of \$88,850,000.

11 **SEC. 1511. DEFENSE HEALTH PROGRAM.**

12 Funds are hereby authorized to be appropriated for
13 the Department of Defense for fiscal year 2016 for ex-
14 penses, not otherwise provided for, for the Defense Health
15 Program in the amount of \$272,704,000 for operation and
16 maintenance.

17 **SEC. 1512. DRUG INTERDICTION AND COUNTER-DRUG AC-**
18 **TIVITIES, DEFENSE-WIDE.**

19 Funds are hereby authorized to be appropriated for
20 the Department of Defense for fiscal year 2016 for ex-
21 penses, not otherwise provided for, for Drug Interdiction
22 and Counter-Drug Activities, Defense-wide in the amount
23 of \$186,000,000.

24 **SEC. 1513. DEFENSE INSPECTOR GENERAL.**

25 Funds are hereby authorized to be appropriated for
26 the Department of Defense for fiscal year 2016 for ex-

1 penses, not otherwise provided for, for the Office of the
2 Inspector General of the Department of Defense in the
3 amount of \$10,262,000.

4 **DIVISION B—MILITARY CON-**
5 **STRUCTION AUTHORIZA-**
6 **TIONS**

7 **TITLE XXVIII—MILITARY CON-**
8 **STRUCTION GENERAL PROVI-**
9 **SIONS**

10 **SEC. 2801. CHANGE IN AUTHORITIES RELATING TO SCOPE**
11 **OF WORK VARIATIONS FOR MILITARY CON-**
12 **STRUCTION PROJECTS.**

13 (a) LIMITED AUTHORITY FOR SCOPE OF WORK IN-
14 CREASE.—Section 2853 of title 10, United States Code,
15 is amended—

16 (1) in subsection (b)(2), by striking “The scope
17 of work” and inserting “Except as provided in sub-
18 section (d), the scope of work”;

19 (2) by redesignating subsections (d) and (e) as
20 subsections (e) and (f), respectively; and

21 (3) by inserting after subsection (c) the fol-
22 lowing new subsection (d):

23 “(d) The limitation in subsection (b)(2) on an in-
24 crease in the scope of work does not apply if—

1 “(1) the increase in the scope of work is not
2 more than 10 percent of the amount specified for
3 that project, construction, improvement, or acquisition
4 in the justification data provided to Congress as
5 part of the request for authorization of the project,
6 construction, improvement, or acquisition;

7 “(2) the increase is approved by the Secretary
8 concerned;

9 “(3) the Secretary concerned notifies the appropriate
10 committees of Congress in writing of the increase in scope and the reasons therefor; and
11

12 “(4) a period of 21 days has elapsed after the
13 date on which the notification is received by the
14 committees or, if over sooner, a period of 14 days
15 has elapsed after the date on which a copy of the
16 notification is provided in an electronic medium pursuant
17 to section 480 of this title.”.

18 (b) CROSS-REFERENCE AMENDMENTS.—

19 (1) Subsection (a) of such section is amended
20 by striking “subsection (c) or (d)” and inserting
21 “subsection (c), (d), or (e)”.

22 (2) Subsection (f) of such section, as redesignated
23 by subsection (a)(2), is amended by striking
24 “through (d)” and inserting “through (e)”.

25 (c) ADDITIONAL TECHNICAL AMENDMENTS.—

1 (1) CONFORMITY WITH GENERAL TITLE 10
2 STYLE.—Subsection (a) of such section is further
3 amended by inserting “of this title” after “section
4 2805(a)”.

5 (2) DELETION OF SURPLUS WORD.—Subsection
6 (c)(1)(A) of such section is amended by striking
7 “be” after “Congress can”.

8 **SEC. 2802. ENHANCED AUTHORITY TO CARRY OUT EMER-**
9 **GENCY MILITARY CONSTRUCTION PROJECTS**
10 **WHEN NECESSARY TO SUPPORT REQUIRE-**
11 **MENTS OF COMBATANT COMMANDERS.**

12 Section 2803 of title 10, United States Code, is
13 amended—

14 (1) by redesignating paragraph (2) of sub-
15 section (c) as subsection (d); and

16 (2) in subsection (c)—

17 (A) by striking “The maximum amount”
18 and inserting “Except as provided in paragraph
19 (2), the maximum amount”; and

20 (B) by adding at the end the following new
21 paragraph (2):

22 “(2) In applying the limitation under paragraph (1)
23 for any fiscal year, the Secretary concerned may exclude
24 any amount obligated by the Secretary under this section
25 in that fiscal year for a military construction project that

1 is carried out to support the requirements of the com-
2 mander of a combatant command, except that the max-
3 imum amount that may be so excluded by the Secretary
4 concerned in any fiscal year is \$25,000,000.”.

5 **SEC. 2803. ANNUAL LOCALITY ADJUSTMENT OF DOLLAR**
6 **THRESHOLDS APPLICABLE TO UNSPECIFIED**
7 **MINOR MILITARY CONSTRUCTION AUTHORI-**
8 **TIES.**

9 Section 2805 of title 10, United States Code, is
10 amended by adding at the end the following new sub-
11 section:

12 “(f) ADJUSTMENT OF DOLLAR LIMITATIONS FOR LO-
13 CATION.—Each fiscal year, the Secretary concerned shall
14 adjust the dollar limitations specified in this section appli-
15 cable to an unspecified minor military construction project
16 to reflect the area construction cost index for military con-
17 struction projects published by the Department of Defense
18 during the prior fiscal year for the location of the
19 project.”.

○