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Fact Sheet: Selected Highlights of H.R. 1735, the National Defense Authorization Act for FY2016

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May 5, 2015

Congressional Research Service

7-5700

www.crs.gov

R44019

Following are selected highlights of H.R. 1735, the National Defense Authorization Act (NDAA) for FY2016 approved by the House Armed Services Committee in the early hours of April 30, 2015. At the end of a markup session that began the morning of April 29, the committee voted 60-2 to report the amended bill to the House, where floor action is anticipated the week of May 11.

This CRS Fact Sheet, based on the draft bill and committee report (H.Rept. 114-102), is designed as a time-urgent product offering Members the best available information about the bill pending publication of a CRS report on the FY2016 Defense Authorization and Appropriations legislation.

Table I. FY2016 National Defense Authorization Act Authorization Levels

(amounts in millions of dollars of discretionary budget authority)

	Administration Request	House committee-reported H.R. 1735	Senate committee-reported bill	Conference Report
Base Budget				
Procurement	106,967,393	109,735,699		
Research and Development	69,779,182	68,352,509		
Operation and Maintenance	176,517,228 ^a	136,562,778		
Military Personnel	136,734,676	136,443,184		
Defense Health Program and Other Authorizations	35,917,538	37,860,421		
Military Construction and Family Housing	8,306,510 ^a	7,151,000		
Subtotal: DOD Base Budget	534,222,527	496,105,591		
Atomic Energy Defense Activities	19,031,483	18,856,186		
TOTAL: National Defense Budget Function Base Budget	553,254,010	514,961,777		
Function Base Budget				
Overseas Contingency Operations (OCO)	50,949,561	50,949,104		
OCO Funding for Base Budget Requirements	0.0 ^a	38,290,000 ^a		
Subtotal: OCO	50,949,561	89,239,104		
GRAND TOTAL: FY2016 NDAA	604,203,571	604,200,881		

Source: H.Rept. 114-102, Report of the Committee on Armed Services of the House of Representatives on H.R. 1735, the National Defense Authorization Act for FY2016

Note:

- a. The House Armed Services Committee authorized in the OCO section of its bill (a) 134 Operation and Maintenance (O&M) programs for which the Administration requested a total of \$38.3 billion in the base budget and (b) 10 military construction projects for which the Administration requested a total of \$532 million in the base budget. According to the House committee's Fact Sheet on the bill, this was done "in order to comply with the Budget Control Act as well as meet our national security operations...."

Table 2. Selected Administration Policy and Cost-Cutting Proposals

Administration Proposal	House committee-reported bill H.R. 1735	Senate committee-reported bill	Conference Report
1.3% Raise in Military Basic Pay in lieu of the 2.3% raise that would occur under existing law ^a	No change to proposal		
Reduce Commissary Subsidy (\$1.48 billion requested in FY2016) by efficiencies and reduction of store hours but without closing stores ^a	Rejects proposal (Section 642); authorizes an additional \$322 million to continue current policy in FY2016		
Slow rate of increase in Housing Allowance to eventually cover 95% of rental costs in lieu of current 99% coverage ^a	Rejects proposal; authorizes an additional \$400 million to continue current policy in F20Y16		
Changes to TRICARE medical insurance including enrollment fee for TRICARE-for-Life (for retirees) and increased pharmacy co-pays for non-active duty beneficiaries	Authorizes none of the proposed changes		
Remove each of 11 Aegis cruisers from service for a four-year modernization after which they would replace unmodernized cruisers as the latter retire	Requires that each of the cruisers being modernized in FY2016 be out of service for no more than two years (Section 1023)		
Move all Apache attack helicopters from National Guard units to Army units; Re-equip some of those Guard units with Black Hawk troop carriers ^b	Bars Apache moves until 60 days after a commission report (Section 1053); Authorizes an additional \$136.8 million to buy new Black Hawks and modernize older ones for Guard units		
Continue mothballing A-10 ground-attack aircraft ^c	Bars retirement of A-10s (Section 133); Reduces to 18 the number that can be sidelined (Section 132); Authorizes an additional \$603.1 million to keep operating all other A-10s		

- a. For background, see CRS Report RL33446, *Military Pay: Key Questions and Answers*, by Lawrence Kapp and Barbara Salazar Torreon.
- b. For background, see CRS Report R43808, *Army Active Component (AC)/Reserve Component (RC) Force Mix: Considerations and Options for Congress*, by Andrew Feickert and Lawrence Kapp
- c. For background, see CRS Report R43843, *Proposed Retirement of A-10 Aircraft: Background in Brief*, by Jeremiah Gertler.

Table 3. Selected Congressional Budget Increases and Policy Additions

Issue	House-passed H.R. 1735	Senate committee-reported bill	Conference Report
F/A-18E/F Navy fighters (none requested) ^a	Adds \$1.15 billion for 12 F/A-18E/Fs		
F-35 Joint Strike Fighter (\$11.0 billion requested for 57 planes) ^b	Adds an additional \$1.0 billion for 6 Marine Corps versions (F-35B)		
LX(R) amphibious landing ship (no procurement funds requested for vessels) ^c	Adds \$250 million for components so first LX(R) can be funded sooner than FY2020 (the current plan)		
Israeli missile defense systems R&D (\$102.8 million requested)	Adds \$329.8 million for various Israeli missile defense systems		
U.S.-built replacement for Russian-built RD-180 rocket motor for satellite launch vehicles	Adds \$184.4 million to development a replacement for RD-180 (Section 1603)		
Construction of a ballistic missile defense site near the East Coast (in addition to current sites in Alaska and California)	Adds \$30.0 million to plan and design East Coast site; requires deployment of SBX radar on East Coast (Section 1673)		
Russian violation of 1989 INF [Intermediate-range Nuclear Force] Treaty (reported by Administration) ^d	Adds \$25 million to develop countermeasures; requires report on discussions with allies concerning collective response (Section 2143)		
Changes to Military Retirement System ^e	Modifies the system for new servicemembers, with some changes proposed by a national commission, including portable Thrift Savings Plan (Sections 631-634)		
Lethal military assistance to Ukraine	Adds \$200 million to train and equip Ukrainian forces (Section 1532)		
Provision of military assistance directly to Sunni and Kurdish forces inside Iraq	Requires that 25% of anti-ISIL funds for Iraqi government be allocated to Kurdish and Sunni forces (Section 1223)		

a. For background, see CRS Report RL30624, *Navy F/A-18E/F and EA-18G Aircraft Program*, by Jeremiah Gertler.

b. For background, see CRS Report RL30563, *F-35 Joint Strike Fighter (JSF) Program*, by Jeremiah Gertler.

c. For background, see CRS Report R43543, *Navy LX(R) Amphibious Ship Program: Background and Issues for Congress*, by Ronald O'Rourke.

d. For background, see CRS Report R43832, *Russian Compliance with the Intermediate Range Nuclear Forces (INF) Treaty: Background and Issues for Congress*, by Amy F. Woolf.

e. CRS Report RL34751, *Military Retirement: Background and Recent Developments*, by Kristy N. Kamarck

Table 4. Selected Congressional Prohibitions and Budget Reductions

Issue	House-passed H.R. 1735	Senate committee- reported bill	Conference Report
Funds cut from request to be made up for by Unobligated Balances appropriated in earlier budgets but not spent as planned	Cuts \$2.6 billion because of Unobligated Balances		
Fuel prices assumed in budget request	Cuts \$1.6 billion on the assumption that fuel prices will be lower than assumed in budget		
Foreign currency assumptions	Cuts \$1.4 billion on the assumption that purchase of goods and services by U.S. forces overseas will cost less than budget assumed (due to increased value of the dollar against foreign currencies)		
Long-range Strike Bomber (\$1.25 billion requested for R&D) ^a	Cuts \$460 million because of changes in program's schedule		
KC-46 tanker plane; (\$2.35 billion requested to procure 12 planes and \$602 million for R&D) ^b	Cuts \$24 million from procurement request and \$200 million from R&D request because of changes in program's schedule		
Administration's effort to close the detention facility at Guantanamo Bay, Cuba ^c	Repeals provision of FY2015 NDAA that increased the President's discretion to transfer Guantanamo detainees to other places (Sections 1036-1038); Adds \$76 million for Guantanamo Bay barracks		

- a. For background, see CRS Report R43049, *U.S. Air Force Bomber Sustainment and Modernization: Background and Issues for Congress*, by Jeremiah Gertler.
- b. For background, see CRS Report RL34398, *Air Force KC-46A Tanker Aircraft Program*, by Jeremiah Gertler.
- c. For background, see CRS Report R42143, *Wartime Detention Provisions in Recent Defense Authorization Legislation*, by Jennifer K. Elsea and Michael John Garcia.

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