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Fact Sheet: FY2017 National Defense Authorization Act (NDAA) DOD Reform Proposals

(name redacted)

Analyst in International Security

May 25, 2016

Congressional Research Service

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R44508

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Introduction

This fact sheet is intended to offer Members information on extant Department of Defense (DOD) reform proposals being considered during the FY2017 National Defense Authorization Act debates. As such, it includes key provisions incorporated in H.R. 4909, the FY2017 National Defense Authorization Act (NDAA) reported by the House Armed Services Committee on May 4, 2016 (H.Rept. 114-537), and S. 2943, the FY2017 National Defense Authorization Act reported by the Senate Armed Services Committee on May 18, 2016 (S.Rept. 114-255). Wherever possible, it also includes the Administration's views. For more information on the defense reform debates, see CRS Report R44474, *Goldwater-Nichols at 30: Defense Reform and Issues for Congress*, by (name redacted).

Background

Thirty years after its enactment, Congress has undertaken a review of the Goldwater-Nichols Department of Defense Reorganization Act as well as the broader organization and structure of the contemporary Department of Defense (DOD). Most observers agree that in principle a comprehensive review of the Goldwater-Nichols legislation is warranted at this juncture. Further, a broad consensus appears to exist among observers that DOD must become considerably more agile while retaining its strength in order to enable the United States to meet a variety of critical emerging national security challenges. However, a variety of views exist on the kinds of specific reform proposals that ought to be adopted, in part stemming from differing views on the nature of the organizational challenges besetting the Department of Defense.

The House Armed Services Committee formally expresses its diagnosis of the defense reform challenge in H.Rept. 114-537, stating

The committee recognizes that security challenges have become more transregional, multi-domain, and multi-functional; that U.S. superiority in key warfighting areas is at risk with other nations' technological advances; and that the Department of Defense lacks the agility and adaptability necessary to support timely decisionmaking and the rapid fielding of new capabilities... The proposals contained in this subtitle are focused on increasing accountability and oversight, enhancing global synchronization and joint operations, and strengthening strategic thinking and planning, while preserving civilian control of the military and the role of the Chairman of the Joint Chiefs of Staff as the principal, independent military advisor to the President and the Secretary of Defense.

While the Senate Armed Services Committee declined to state its formal view on the overall goals for its defense reform agenda in S.Rept. 114-255, Chairman John McCain has previously noted

The focus of Goldwater-Nichols was operational effectiveness, improving our military's ability to fight as a joint force. The challenge today is strategic integration. By that, I mean improving the ability of the Department of Defense to develop strategies and integrate military power globally to confront a series of threats, both states and non-state actors, all of which span multiple regions of the world and numerous military functions.¹

This sentiment appears to provide a logical underpinning for a number of the defense reform proposals presented in S. 2943.

¹ Remarks by Senator John McCain, Senate Armed Services Committee Holds Hearing on the Defense Department Budget Posture, *Congressional Quarterly*, March 1, 2016.

The Obama Administration has appeared to take a somewhat more conservative view of defense reform, arguing that what is needed today is an “update” of provisions contained in the Goldwater-Nichols legislation rather a more fundamental redesign of key components of DOD.² As Secretary of Defense Ashton Carter stated at the Center for Strategic and International Studies on April 5, 2016:

This year, as Goldwater-Nichols turns 30, we can see that the world has changed since then – instead of the Cold War and one clear threat, we face a security environment that’s dramatically different from the last quarter-century. It’s time that we consider practical updates to this critical organizational framework, while still preserving its spirit and intent. For example, we can see in some areas how the pendulum between service equities and jointness may have swung too far, as in not involving the service chiefs enough in acquisition decision-making and accountability; or where subsequent world events suggest nudging the pendulum further, as in taking more steps to strengthen the capability of the Chairman and the Joint Chiefs to support force management, planning, and execution across the combatant commands, particularly in the face of threats that cut across regional and functional combatant command areas of responsibility, as many increasingly do.³

The following table organizes the various legislative proposals included in “Title IX–Department of Defense Organization and Management” sections of both H.R. 4909 and S. 2943. As the Obama Administration did not send formal legislative proposals to Congress to inform these debates, when possible and appropriate the table refers to recommendations formulated by DOD in conjunction with its own Goldwater-Nichols review.⁴

² Secretary of Defense Ashton Carter, *Remarks on “Goldwater-Nichols at 30: An Agenda for Updating,”* Center for Strategic and International Studies, April 5, 2016. <http://www.defense.gov/News/Speeches/Speech-View/Article/713736/remarks-on-goldwater-nichols-at-30-an-agenda-for-updating-center-for-strategic?source=GovDelivery>.

³ *Ibid.*

⁴ Peter Levine and Lt. Gen Thomas Waldhauser, *Goldwater-Nichols Working Group Recommendations*, Deputy Chief Management Office, Information Memorandum, March 2016. Available at <http://1yxsm73j7aop3quc9y5ifaw3.wpengine.netdna-cdn.com/wp-content/uploads/2016/04/DoD-G-N-WG-recommendations.pdf>.

Table I. Select DOD Reform Proposals

| HASC-Reported Bill (H.R. 4909) | SASC-Reported Bill (S. 2943) | Administration Recommendations (Goldwater-Nichols Working Group Memo) | Conference Report |
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| Strategy Formulation | | | |
| <p>§902 & §903 Eliminate the Quadrennial Defense Review (QDR) and Defense Strategy Review (DSR) processes and replaces them with</p> <ul style="list-style-type: none"> • top-down strategic guidance on force structure and priorities from the Secretary of Defense, issued every four years; • annual policy guidance on to DOD components for their preparation and review of program recommendations and budget proposals; and • a new, independent commission on the National Defense Strategy of the United States. | <p>§921 Augments CJCS responsibilities in strategy formulation, to include</p> <ul style="list-style-type: none"> • develop strategic frameworks and plans to guide the use of military force across all regions, military functions and domains; • advise the Secretary of Defense (SecDef) on production of national defense strategy and national security strategy; • provide advice to the President and SecDef on ongoing military operations; • prepare alternative military analysis, options, and plans to recommend to SecDef, as CJCS considers appropriate; • prepare joint logistic, mobility and operational energy plans to support the national defense strategy; and • provide for preparation and review of contingency plans. | <p>“Strengthen the capability of the Joint Staff to contribute to strategy development to inform the development of operational plans and the identification of military alternatives to address contingencies, subject to policy guidance and review by the civilian leadership. Improved capabilities should be focused on trans-regional, multi-domain and multi-functional threats, and multiple threats with overlapping timeframes.”</p> | <p>N/A</p> |
| <p>§905 Requires that the National Military Strategy, as prepared by the CJCS</p> <ul style="list-style-type: none"> • develops the military ends, ways, and means to support national objectives; • assesses strategic and military risks, including risk mitigation options; • establishes a strategic framework for development of operational and contingency plans; • prioritizes joint force capabilities, capacities and resources; and • establishes military guidance for the employment of the joint force. | <p>§921 Recalibrates the National Military Strategy as prepared by CJCS, including a requirement to identify the priority of joint force capabilities, capacities and resources, as well as establish military guidance for the development of the joint force.</p> | <p>“Review the Department’s strategic guidance documents and the processes for developing them, with goals of providing greater clarity and cohesion, minimizing complexity, and reducing offices that exist to write and staff these documents that are often overlapping and sometimes contradictory. For example, [DOD] will reconsider ... the Defense Strategy Review (formerly known as the Quadrennial Defense Review) the extensive processes used to develop it, most of which duplicate existing strategic planning activities.”</p> | |

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| <p>§906 Updates requirement in P.L. 114-92 §1064 (b)(2) for an independent study of national security strategy formulation to include workforce ability to conduct strategic planning.</p> <p>§904 Requires the Secretary of Defense prepare policy guidance on contingency planning at least every two years, and submit that guidance to relevant Congressional committees.</p> | | | |
| Office of the Secretary of Defense (OSD) Management | | | |
| N/A | <p>§901 Redesignates Under Secretary of Defense (USD) Business Management and Information to USD Management & Support and adds responsibilities to the position, including oversight of agencies associated with execution of acquisition functions.</p> <p>§903 Establishes an Assistant Secretary of Defense for Information (Chief Information Officer) in OSD, responsible for cyber and space policy, information network defense, policies and standards governing information technology systems and related activities across DOD.</p> <p>§906 Establishes a 30-person defense management reform and business transformation unit to help senior managers develop management reform roadmaps and monitor its implementation.</p> | <p>“Review and streamline the organization of DOD ‘communities of interest’ that address regional or functional topics in OSD, Joint Staff, Services, COCOMs and DOD agencies, to bring together multiple staffs addressing closely related issues, reduce duplication of functions, and better align roles, responsibilities and relationships across the Department.”</p> | N/A |

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| | <p>§923 Modifies the roles and responsibilities of Assistant Secretary of Defense for Special Operations/Low Intensity Conflict to have overall supervision of special operations activities within DOD, and to allow it to better perform service secretary-like functions.</p> | | |
| | <p>§923 Creates Special Operations Functional Integration and Oversight Teams to integrate functional activities of DOD to provide capabilities required for special operations missions.</p> | | |
| | <p>§941 Requires SecDef to establish “cross-functional mission teams” on priority issue areas to produce comprehensive and fully integrated policies, strategies, plans and resourcing and oversight.</p> | | |
| | <p>§941 Requires SecDef issue a directive on the purposes, values and principles for the operation of OSD, as well as a directive on collaborative behavior. Also ties career progression to collaborative behavior.</p> | | |
| | <p>§941 Requires SecDef to take actions to streamline the organizational structure of OSD to increase spans of control, reduce management layers, and eliminate unnecessary duplication between OSD and the Joint Staff.</p> | | |
| | <p>§941 Mandates that positions requiring advice and consent of the Senate successfully complete a course of instruction on leadership, modern organizational practice, collaboration, and the operation of mission teams (described earlier in the act).</p> | | |

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| | <p>§942 Requires SecDef formulate and implement management strategies through 2022 on human capital, personnel cost savings targets, elimination of functions, force management authorities, and de-layering of organizations.</p> | | |
| Chairman of the Joint Chiefs of Staff (CJCS) Authorities and Responsibilities | | | |
| <p>§907 Extends length of CJCS tour from two to four years, in a manner designed to bridge Administrations.</p> | <p>§921 Extends length of CJCS tour from two to four years, beginning on an odd-numbered year, with a possible two-year further extension.</p> | <p>“Strengthen the Chairman’s capability to support the Secretary in management, planning, and execution across the Combatant Commands (COCOM). This would be achieved without placing the chairman in the chain of command, through appropriate delegation of authority from the Secretary to the Chairman and to prioritize military activities and resources across COCOM boundaries.”</p> | <p>N/A</p> |
| <p>§908 Codifies CJCS role in advising the President and SecDef on ongoing military operations, as well as the allocation and transfer of forces among geographic and functional combatant commands to address transregional, multi-domain and multi-functional threats.</p> | <p>§921 Amends Title X U.S.C., section 153 by codifying primary focus of CJCS as developing military elements of national and defense strategy, assisting the President and SecDef in integration of military operations and activities worldwide, and advocating for current and future joint force requirements.</p> <p>§921 Paragraph (4) amends Title X, U.S.C. §153 by establishing a new joint capability development role for CJCS.</p> <p>§922 Allows SecDef to delegate some authority to CJCS for the worldwide reallocation of limited military assets on a short-term basis.</p> <p>§921 Extends the term of service for VCJCS from two to four years, specifies that VCJCS is not eligible for promotion to any other position in the armed forces, and requires VCJCS appointment not take place in same year as CJCS appointment.</p> | | |

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| Headquarters Reductions and “De-layering” | | | |
| §910 Reduces the number of general and flag officer positions by five. | §904 Augments Title X, U.S.C. by placing a 15% growth cap on numbers of personnel assigned to Army, Navy and Air Force staffs in times of war. | <p>“Analyze the staffing of functions such as logistics, intelligence and plans in the Joint Staff, the COCOMs, and subordinate commands for potential redundancies and opportunities for savings. This would specifically include consideration of ‘skipping an echelon’ in functional alignment where that can be done without loss of capability.”</p> <p>Secretary Carter also stated at CSIS that: “the Defense Department will look to simplify and improve command and control where the number of four-star positions have made headquarters either top-heavy, or less efficient than they could be.”^a</p> | |
| §910 Requires that the rank of a commander of a service or functional component command under a combatant command be no higher than lieutenant general or vice admiral. | §904 Reduces number of General and Flag Officers that can be assigned to military departments. | | |
| | §905 Limits use of funds for contractors for staff augmentation at DOD headquarters and military departments. | | |
| Combatant Commands (COCOMs) | | | |
| §911 Augments the Unified Command Plan by elevating U.S. Cyber Command (CYBERCOM) to a unified command. | §921 Requires CJCS to recommend budget proposals for each combatant command, establish a uniform system for evaluating COCOM preparedness, and advise SecDef on the extent to which major programs and policies support national defense strategy and COCOM contingency plans. | “Elevate Cyber Command (CYBERCOM) to a unified combatant command, with Title 10/sec 164 authorities to include: joint force provider, cyber capabilities advocacy, and theater security cooperation.” | N/A |

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| <p>§914 Requires SecDef contract an independent entity to assess COCOM structures and recommend areas for improvement.</p> | <p>§921 Requires COCOM commanders consult with CJCS in the performance of their duties.</p> | | |
| | <p>§921 Establishes a provision in Title X U.S.C. specifying the primary duties of combatant commanders, focusing on planning for employment of forces, responding to significant military contingencies, and deterring conflict.</p> | | |
| | <p>§921 Establishes a Combatant Commanders Council to inform requirements, production periodic review, and implementation of the national defense strategy (NDS) and to assist SecDef with global integration of military operations.</p> | | |
| | <p>§923 Clarifies the administrative chain of command for SOCOM.</p> | | |
| | <p>§923 Gives the Commander, USSOCOM the authority to monitor promotions of special operations forces and coordinate with military departments regarding assignment, retention, training, professional military education, and special and incentive pays of special operations forces.</p> | | |
| | <p>§924 Requires SecDef carry out a pilot program to organize subordinate commands of a unified combatant command in around joint task forces rather than through service component commands.</p> | | |
| | <p>§925 Expands eligibility for Deputy Commander of COCOMs that have the United States among its geographic areas of responsibility to include officers from the reserves.</p> | | |

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| Innovation and Acquisition | | | |
| N/A | §901 Re-establishes the Under Secretary of Defense for Research and Engineering (USD R&E) and ensures they are the highest-ranking Under Secretary in DOD. | N/A | N/A |
| | §901 Establishes an Assistant Secretary of Defense for Acquisition Policy and Oversight that reports to the new USD (R&E). | N/A | N/A |
| Military Services | | | |
| §909 Allows U.S. forces in the continental United States be assigned to the military services rather than a combatant command. | §902 Requires that Service Secretaries have experience managing large and complex organizations. | N/A | N/A |
| Joint Requirements Oversight Council (JROC) | | | |
| N/A | §943 Modifies JROC joint and service specific requirements setting process by ensuring that service chiefs are responsible for service specific requirements, and JROC validation is not required before commencing a service specific acquisition program, except in instances wherein CJCS decides that a service-specific requirement should be made joint. | N/A | N/A |

- a. Secretary of Defense Ashton Carter, *Remarks on "Goldwater-Nichols at 30: An Agenda for Updating,"* Center for Strategic and International Studies, April 5, 2016. <http://www.defense.gov/News/Speeches/Speech-View/Article/713736/remarks-on-goldwater-nichols-at-30-an-agenda-for-updating-center-for-strategic?source=GovDelivery>.

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