

TITLE III—OPERATION AND MAINTENANCE

Subtitle A—Authorization of Appropriations

Authorization of appropriations (sec. 301)

The committee recommends a provision that would authorize appropriations for operation and maintenance activities at the levels identified in section 4301 of division D of this Act.

Subtitle B—Energy and the Environment

Method of funding for cooperative agreements under the Sikes Act (sec. 311)

The Sikes Act (16 U.S.C. 670a–670o) provides the secretary of a military department the authority to enter into cooperative agreements with the states, local governments, Indian tribes, nongovernmental organizations, and the heads of other federal departments and agencies to maintain and improve the natural resources on or off military and National Guard installations.

The committee recommends a provision that would amend this section of the Sikes Act (16 U.S.C. 670c–1) to allow the funds for such a cooperative agreement to be paid in a lump sum that includes an amount to cover future costs of the activities provided for under the agreement. The provision would also allow the funds be placed in an interest-bearing account provided that the interest or income is applied for the same purpose as the principal.

Environmental Restoration at former Naval Air Station, Chincoteague, Virginia (sec. 312)

The Administrator of the National Aeronautics and Space Administration has the administrative jurisdiction over the Wallops Flight Facility, Virginia. The site includes the area formerly known as the Naval Air Station Chincoteague, Virginia, including the Naval Aviation Ordnance Test Station, Virginia.

The committee recommends a provision that would allow the Secretary of Defense to undertake an environmental restoration project in the area with regard to pollutants or contaminants that are solely attributable to Department of Defense activities while the property was under the administrative jurisdiction of the Secretary of the Navy. The project may be entered into either jointly or in conjunction with an environmental restoration project of the Administrator.

The provision also provides that the Secretary and the Administrator may enter into an agreement to provide for the effective and efficient performance of environmental restoration projects in the area. The Secretary may use funds available in the Environmental Restoration, Formerly Used Defense Sites account for these environmental restoration projects.

Limitation on availability of funds for procurement of drop-in fuels (sec. 313)

The committee recommends a provision that would prohibit Department of Defense funds to be used for bulk purchases of drop-in fuel for operational purposes during fiscal year 2015, unless the cost of that drop-in fuel is cost competitive with traditional fuel, subject to a national security waiver. The committee notes that the phrase “cost competitive” in this section generally refers to prices that are equal to or lower than prices offered by competitors for similar goods or services. However, the committee notes that terms and conditions for particular purchases may vary; in particular, long-term energy purchases are likely to have different pricing structures from short-term or spot-market purchases. Accordingly, the committee believes some flexibility in the application of this phrase is anticipated, where necessary to address such differences. The committee understands that average prices over the period of a long-term contract would be cost competitive.

Study on implementation of requirements for consideration of fuel logistics support requirements in planning, requirements development, and acquisition processes (sec. 314)

The committee recommends a provision that would require the Secretary of Defense to submit a report to the congressional defense committees no later than 180 days after the enactment of this Act, on the implementation of section 332 of the Duncan Hunter National Defense Authorization Act for Fiscal Year 2009 (Public Law 110–417). The report shall describe the implementation to date of the requirements for consideration of fuel logistics support requirements in the planning, requirements development, and acquisition processes for: (1) Acquisition solicitations that incorporate analysis established and developed pursuant to section 332; (2) The fully burdened cost of energy and energy key performance parameters in relation to other metrics; (3) The total fuel costs avoided as a result of inclusion of the fully burdened cost of energy and energy key performance parameters, including an estimate of monetary savings and fuel volume savings; and (4) The extent to which the energy security requirements of the Department of Defense are enhanced.

Comptroller General study of Department of Defense research and development projects and investments to increase energy security and meet energy goals requirements (sec. 315)

The committee recommends a provision that would direct the Comptroller General to conduct a review of Department of Defense projects, strategy, resourcing, research, development, and investment in pursuit of increasing energy security, decreasing energy consumption and logistical burdens, reducing tactical and strategic vulnerabilities, and meeting renewable energy goals set forth in section 2911(e) of title 10, United States Code.

Decontamination of a portion of former bombardment area on island of Culebra, Puerto Rico (sec. 316)

The committee recommends a provision that would express the sense of Congress that certain limited portions of the former bombardment area on the Island of Culebra should be available for safe public recreational use while the remainder of the area is most advantageously reserved as habitat for endangered and threatened species.

The provision would also change a legislative restriction in section 204(c) of the Military Construction Authorization Act, 1974 (Public Law 93–166) which provides that section shall not apply to the beaches, the campgrounds, and the Carlos Rosario Trail, as defined in the provision.

The provision would also allow, notwithstanding the quitclaim deed, the Secretary of the Army to expend funds available in the Environmental Restoration Account, Formerly Used Defense Sites (FUDS), established pursuant to section 2703(a)(5) of title 10, United States Code, to decontaminate the beaches, the campgrounds, and the Carlos Rosario Trail of unexploded ordnance.

The committee notes that the purpose of this provision is to lift the statutory restriction that is barring the Secretary of the Army from decontaminating this part of Culebra Island. This decontamination project should be prioritized within the regular process with all other FUDS.

Subtitle C—Logistics and Sustainment

Modification of annual reporting requirement related to positioning of materiel and equipment (sec. 321)

The committee recommends a provision that would amend section 2229(c) of title 10, United States Code to sunset after 3 years, the Comptroller General’s annual review of the Department of Defense’s progress in implementing its strategic policy and plan for its repositioned stocks.

Modification of quarterly readiness reporting requirement (sec. 322)

The committee recommends a provision that would amend section 482 of title 10, United States Code, to update and streamline the Quarterly Readiness Report to Congress (QRRC). The committee also strongly urges the Department of Defense (DOD) to remove Supplement One from future QRRCs as the information therein is readily available in the public domain. The committee notes that the recommended provision would include a separate assessment for the United States Cyber Command.

The committee also notes that while the recommended provision strikes the reporting requirement on major exercise assessments, the committee directs DOD to report on an after-action assessment of any major exercise related to nuclear command, control, and communications for 3 years after enactment of this Act, beginning with the first QRRC of fiscal year 2015. The report may be in classified format, as appropriate.

The committee strongly urges DOD to move the information captured in Supplement Two of the QRRC to Annex B in order to avoid duplication and maximize efficiency.

Elimination of authority to abolish arsenals (sec. 323)

The committee recommends a provision that would amend section 4532 of Title 10, United States Code, the Arsenal Act, and eliminate the ability of the Secretary of the Army to abolish any U.S. arsenal considered to be unnecessary. The provision would also make it the objective of the Secretary of the Army, in managing the workload of the arsenals, to maintain the critical capabilities identified in the Army Organic Industrial Base Strategy Report, and to ensure cost efficiency and technical competence in peacetime, while preserving the ability to provide an effective and timely response to mobilizations, national defense contingency situations, and other emergent requirements.

Subtitle D—Reports

Repeal of annual report on Department of Defense operation and financial support for military museums (sec. 331)

The committee recommends a provision, as requested by the Department of Defense (DOD), that would repeal section 489 of title 10, United States Code, which requires the Secretary of Defense to submit annually to Congress a report on DOD operation and financial support for military museums. The committee notes that preparation of this report requires extensive data collection, but the DOD components do not use the information in the report to manage their programs. Repeal of the report will save the DOD \$39,000 per year.

Subtitle E—Limitations and Extensions of Authority

Limitation on MC-12 aircraft transfer to United States Special Operations Command (sec. 341)

The committee recommends a provision that would prohibit the transfer of 24 MC-12 aircraft from the Air Force to U.S. Special Operations Command (SOCOM) for manned intelligence, surveillance, and reconnaissance (ISR) until the Assistant Secretary of Defense for Special Operations and Low-Intensity Conflict, in coordination with the Commander of SOCOM, provides the congressional defense committees with an analysis and justification for such a transfer.

The committee notes that since 2005, SOCOM has spent more than \$524.0 million to field 33 U-28 ISR aircraft to support near-term ISR requirements in Afghanistan and Iraq as well as longer-term ISR requirements in Asia-Pacific, Africa, and elsewhere. The committee is concerned that SOCOM now plans to divest most of these aircraft in favor of MC-12 aircraft without sufficient analysis and justification. For example, the July 2005 Aircraft Selection Report supporting SOCOM's decision to acquire single engine U-28 aircraft as opposed to other available multi-engine aircraft indicated that "engine failures in multi-engine aircraft are much more

likely to cause an accident according to the Federal Aviation Administration.” The committee is concerned appropriate safety analysis has not been conducted to support the change to a multi-engine ISR aircraft and has included additional information on this matter in the classified annex accompanying this bill. Furthermore, the committee understands that MC-12 aircraft may require significant investment to support integration of sensor capabilities similar to those provided by the U-28 without meeting its long-term manned ISR requirements.

The committee believes that until further analysis is completed and presented to the congressional defense committees, SOCOM should continue to use available operation and maintenance funding to resource flying hours for its existing inventory of U-28 and MC-12 JAVAMAN I/II aircraft. Elsewhere in this bill, the committee recommends no funding for MC-12 modifications in fiscal year 2015.

The committee notes that the budget request included \$41.8 million in Operation and Maintenance, Defense-wide, and \$10.5 million in Procurement, Defense-wide, to support aircraft to be flown by the Air National Guard in support of SOCOM aviation foreign internal defense (AvFID) missions. The committee supports this effort and notes that the limitation included in this provision and the reduction in funding for MC-12 modifications contained elsewhere in the bill do not apply to the AvFID program.

Limitation on establishment of regional Special Operations Forces Coordination Centers (sec. 342)

The committee recommends a provision that would prohibit the obligation or expenditure of funds authorized for fiscal year 2015 to establish Regional Special Operations Forces Coordination Centers (RSCC) by U.S. Special Operations Command (SOCOM).

The committee notes that the National Defense Authorization Act for Fiscal Year 2014 (Public Law 113-66) included a similar prohibition and required the Secretary of Defense, in coordination with the Secretary of State, to submit a report on the purpose, cost, and the authorities necessary for the establishment of RSCCs. While the required report was submitted on April 16, 2014, it left a number of questions unanswered related to the long-term funding required to support RSCCs in each geographic combatant command (GCC); the relative funding that would be provided by SOCOM, the GCCs, and the host nation or other participating nations; and coordination with other engagement activities conducted by the GCCs and the Department of State. Additionally, the report states that “Providing confirmed and sustained out-year support is critical to realizing the full potential of an RSCC.” However, the report also identifies additional legislative authorities that would need to be addressed for such “confirmed and sustained” support to occur while indicating “there are currently no plans to seek these additional authorities.”

The committee believes issues related to funding and authorities need to be resolved before RSCCs are established. The committee also believes that SOCOM should focus its efforts and resources on supporting regional special operations engagement activities that are hosted in and led by partner nations. For example, the com-

mittee understands that Colombia is working to establish the “Centro Regional de Estudios Avanzados de Seguridad” or CREAS, that will, among other things, bring together regional special operations forces for educational, training, and other events. The committee notes that the recommended provision would not prohibit the provision of support to regional special operations coordination activities, like CREAS, led by and established in partner nations, provided they are consistent with broader military-to-military objectives and coordinated with the Department of State and relevant country teams.

Further, the committee believes that SOCOM has not fully explored the viability of expanded cooperation with the regional security studies centers and believes that expanded cooperation with the existing centers should be prioritized. As such, the committee directs the Under Secretary of Defense for Policy (USD(P)) to conduct a review of the existing regional centers and establish a process through which the SOCOM Commander’s priorities are more effectively incorporated in their activities. Once this review is complete, the committee directs the USD(P) to provide a briefing to the congressional defense committees.

Elsewhere in this bill, the committee recommends a reduction of \$1.8 million from the requested amount in Operation and Maintenance, Defense-wide, for RSCC concept development, study, and planning in fiscal year 2015.

Subtitle F—Other Matters

Repeal of authority relating to use of military installations by Civil Reserve Air Fleet contractors (sec. 351)

The committee recommends a provision that would repeal section 9513 of title 10, United States Code, relating to the use of military installations by commercial air carriers doing business with the Department of Defense. Under this program, the Secretary of the Air Force has been authorized to enter into contracts with air carriers authorizing the use of designated installations as: (1) Weather-related landing alternatives; (2) Technical stops not involving the enplaning or deplaning of passengers or cargo; or (3) In the case of an installation within the United States, for other commercial purposes. While the legislation envisioned such agreements as a potential incentive for obtaining air carrier commitment to the Civil Reserve Air Fleet program, the Secretary’s authority has not resulted in a single contract in its almost 20 years of existence.

Revised policy on ground combat and camouflage utility uniforms (sec. 352)

The committee recommends a provision that would amend section 352 of the National Defense Authorization Act for Fiscal Year 2014 (P.L. 113–66) that established a policy that the Secretary of Defense shall eliminate the development and fielding of Armed Forces-specific combat and camouflage utility uniforms and families-of-uniforms for specific combat environments to be used by all members of the Armed Forces.

The committee notes that the guidance for the military services and combatant commands required to implement this policy has

not yet been delivered to the committee. The committee also notes that based on demand and price differentials, the average contract price for the current Marine Corps desert blouse is \$33.70, compared to the Navy's blouse contract unit price of \$36.04. The average contract price for the current Marine Corps woodland and desert trousers is \$35.82, compared to the Navy's trousers unit price of \$44.45. The committee notes that based on current annual demand, the Navy could save approximately \$724,000 by simply fielding the Marine Corps combat uniform to sailors. Additional savings may be found by combining Navy and Marine Corps combat uniform planning, item production, warehousing, and follow-on sustainment efforts.

The committee believes that an implementation plan is necessary to ensure that the Department of Defense develops a schedule and identifies the actions necessary to fulfill the Department's policy on ground combat and camouflage utility uniforms.

Southern Sea Otter Military Readiness Areas (sec. 353)

The committee recommends a provision that would provide that the Secretary of the Navy will establish areas, to be known as the Southern Sea Otter Military Readiness Areas, for national defense purposes. The areas are defined by coordinate boundaries in the provision. Sections 4 and 9 of the Endangered Species Act of 1973 (16 U.S.C. 1533, 1538) and Sections 101 and 102 of the Marine Mammal Protection Act of 1972 (16 U.S.C. 1371, 1372) would not apply with respect to the incidental takings of any southern sea otter in the Southern Sea Otter Military Readiness Areas in the course of conducting a military readiness activity. For purposes of military readiness activities, the otters within the readiness areas would be treated, for purposes of section 7 of the Endangered Species Act of 1973 (16 U.S.C. 1536), as a member of a species that is proposed to be listed as an endangered species or threatened species under section 4 of that Act.

The Secretary of Interior would be able to revise or terminate the exceptions to the Endangered Species Act and the Marine Mammal Protection Act if the Secretary were to determine, in consultation with the Secretary of the Navy and the Marine Mammal Commission, that the military activities occurring in the readiness areas were impeding southern sea otter conservation or the return of the sea otters to optimum sustainable population levels.

The provision would also repeal Section 1 of Public Law 99-625 (16 U.S.C. 1536 note).

Budget Items

Army and Army Reserve readiness unfunded priorities increases

The budget request included \$33.2 billion in Operation and Maintenance, Army (OMA), of which \$1.0 billion was for land forces depot maintenance and \$2.0 billion was for facilities sustainment, restoration, and modernization (SRM). The budget request also included \$2.4 billion in Operation and Maintenance, Army Reserve (OMAR), of which \$58.8 million was for land forces depot maintenance.

The Army has identified specific amounts in these readiness accounts that could help offset the negative impacts from sequestration and accelerate readiness recovery. The committee notes that these recommended increases will restore some critical depot maintenance requirements for the Army and the Army Reserve.

The committee also notes that these recommended increases will satisfy the Army's 6 percent capital investment program, as required by law.

Accordingly, the committee recommends increases in OMA of \$185.6 million for land forces depot maintenance and \$94.3 million in SRM. The committee also recommends an increase of \$15.0 million in OMAR for land forces depot maintenance.

Facilities Sustainment

The committee recognizes that facilities sustainment funding is often deferred in difficult budget times in favor of other priorities. However, underfunding of facilities sustainment accepts greater risk that facilities will fail prematurely and, in the longer term, result in higher restoration and replacement costs. The committee notes that requested funding for facilities sustainment has fallen from \$8.5 billion in fiscal year 2013 to \$6.4 billion for fiscal year 2015, a decrease of 25 percent in only 3 years.

On April 2, 2014, the Acting Deputy Under Secretary of Defense for Installations and Environment testified before the committee that, "Sustainment represents the Department's single most important investment in the condition of its facilities . . . While the Department's goal is to fund sustainment at 90 percent of modeled requirements, the funding level noted above supports an average DOD-wide sustainment funding level of 65 percent of the Facilities Sustainment Model requirement."

The committee believes that the dramatic decrease in facilities sustainment funding represents an unacceptable risk to the readiness of Department of Defense facilities. Therefore, the committee recommends an additional \$105.0 million in Operation and Maintenance for facilities sustainment across the active, guard, and reserve components.

Foreign currency fluctuation reductions

The budget request included \$33.2 billion for Operation and Maintenance, Army (OMA), \$39.0 billion for Operation and Maintenance, Navy (OMN), \$5.9 billion for Operation and Maintenance, Marine Corps (OMMC), \$35.3 billion for Operation and Maintenance, Air Force (OMAF), and \$31.1 billion for Operation and Maintenance, Defense-wide (OMDW).

The committee believes that when foreign currency fluctuation (FCF) rates are determined by the Department of Defense, the balance of the FCF funds should be considered, particularly if the balance is close to the cap of \$970.0 million. The Government Accountability Office (GAO) has informed the committee that as of March 2014, the Department has not transferred in any prior year unobligated balances to replenish the account for fiscal year 2014 from a beginning balance of \$970.0 million. A GAO analysis projects that the Department will experience a net gain of \$351.9 million due to

favorable foreign exchange rates and will lose \$248.1 million in fiscal year 2015 in FCF.

Accordingly, the committee recommends a decrease of \$48.9 million to OMA, \$74.2 million to OMN, \$28.4 million to OMMC, \$51.9 million to OMAF, and \$17.5 million to OMDW for FCF.

Projected overstatement for Army civilian personnel

The budget request included \$33.2 billion for Operation and Maintenance, Army (OMA). Army officials have informed the committee that they expect an average civilian personnel end strength for fiscal year 2015 that is 2,600 (1 percent) lower than planned in the budget, due to reductions in the workforce since the time that budget estimates were made last year.

Accordingly, the committee recommends a decrease of \$250.0 million in OMA for overstatement of civilian personnel.

Undistributed travel reductions

The budget request included \$33.2 billion for Operation and Maintenance, Army (OMA), of which \$829.3 million was for travel of persons. The budget request included \$39.0 billion for Operation and Maintenance, Navy (OMN), of which \$569.4 million was for travel of persons. The budget request included \$5.9 billion for Operation and Maintenance, Marine Corps (OMMC), of which \$183.2 million was for travel of persons. The budget request included \$35.3 billion for Operation and Maintenance, Air Force (OMAF), of which \$673.8 million was for travel of persons. The budget request included \$31.1 billion for Operation and Maintenance, Defense-wide (OMDW) of which \$678.1 million was for travel of persons.

The committee believes that a portion of the planned Department of Defense travel budget should be realigned to support higher priority readiness requirements.

Accordingly, the committee recommends an undistributed decrease of \$21.1 million to OMA, \$14.5 million to OMN, \$4.8 million to OMMC, \$17.3 million to OMAF, and \$17.3 million to OMDW for travel.

Army National Guard readiness funding increase

The budget request included \$6.0 billion in Operation and Maintenance, Army National Guard (OMARNG), of which \$198.3 million was for maneuver units. The budget request also included \$128.9 billion in Military Personnel Appropriations (MPA).

The committee recommends an increase of \$23.0 million in OMARNG for maneuver units and \$45.0 million in MPA.

The committee notes that these recommended increases will ensure that two brigade combat teams will be able to attend combat training center (CTC) rotations in fiscal year 2015, which is the top request on the Army National Guard's unfunded requirements list. These funding increases will also provide additional enabler support during CTC rotations for the active component which does not require personnel growth.

Army National Guard advertising reduction

The budget request included \$274.0 million in Operation and Maintenance, Army National Guard (OMARNG). The committee

believes some of the advertising funding should be realigned to support higher priority readiness requirements.

Accordingly, the committee recommends a decrease of \$13.8 million in OMARNG for advertising.

Navy readiness unfunded priorities increases

The budget request included \$39.0 billion in Operation and Maintenance, Navy (OMN), of which \$814.7 million was for aircraft depot maintenance and \$1.4 billion was for sustainment, restoration, and modernization (SRM).

The Navy has identified specific amounts in these readiness accounts that could help offset the negative impacts from sequestration and accelerate readiness recovery. The committee notes that these recommended increases will fund some of the Navy's fiscal year 2015 unfunded requirements for aircraft depot maintenance.

The committee further notes that the recommended funding increase for SRM will enable the Navy to meet the minimum capital investment threshold of 6 percent across all shipyards and depots, as required by law.

Accordingly, the committee recommends an increase in OMN of \$108.9 million in aircraft depot maintenance and \$85.2 million in SRM.

Follow-on Commander's Evaluation Tests

The fiscal year 2015 budget request reduced the number of Follow-on Commander's Evaluation Tests by two. Given the importance of these tests to the readiness of the strategic submarine force, the committee recommends \$1.3 million to conduct an additional Follow-on Commander's Evaluation Test.

Aircraft carrier defueling planning funds

The budget request included \$46.0 million in the Operation and Maintenance, Navy (OMN) account for advance planning funding for defueling of the USS George Washington (CVN-73) in fiscal year 2017.

It is the committee's intent that the Navy proceed with the refueling and complex overhaul of the USS George Washington (CVN-73) should additional funds be made available in fiscal year 2015 for that purpose.

Therefore, the committee recommends a reduction of \$46.0 million in OMN, and an increase of \$46.0 million for CVN Refueling Overhauls in the Shipbuilding and Conversion, Navy account.

Marine Corps unfunded priorities increase

The budget request included \$5.9 billion in Operation and Maintenance, Marine Corps (OMMC), of which \$905.7 million was for operational forces.

The Marine Corps has identified specific amounts in these readiness accounts that could help offset some negative impacts from sequestration and accelerate readiness recovery. The committee notes that this recommended increase will improve the Marine Corps ability to resource new Special-Purpose Marine Air-Ground Task Forces in U.S. Central and U.S. Southern Combatant Commands areas of responsibility.

Accordingly, the committee recommends an increase of \$33.8 million in OMMC for operational forces.

The committee further notes that in a separate budget item, the recommended funding increase for facilities sustainment, restoration, and modernization will enable the Marine Corps to meet the minimum capital investment threshold of 6 percent across all depots, as required by law.

Marine Corps tuition assistance

The budget request included \$19.1 million in Operation and Maintenance, Marine Corps (OMMC) for off duty and voluntary education programs. At the request of the Marine Corps, the committee recommends an increase of \$15.7 million in OMMC for tuition assistance.

The budget request also included \$105.7 million in PE 63611M for Marine Corps assault vehicles. At the request of the Marine Corps, the committee recommends a decrease of \$15.7 million in PE 63611M or the new amphibious vehicle project.

Museum reduction

The budget request included \$362.6 million in Operation and Maintenance, Marine Corps (OMMC) for Administration, of which \$9.1 million was for an expansion of the National Museum of the Marine Corps (NMMC).

The committee believes that the funding should be realigned to support higher priority readiness requirements given the funding increase of \$9.1 million is comparable to the entire cost of the Marine Corps Prepositioning Program Norway in fiscal year 2015, and the baseline request for the NMMC is already \$49.5 million.

Accordingly, the committee recommends a decrease of \$9.1 million in OMMC for the NMMC.

RC-135 Rivet Joint

The budget request included classified amounts in Air Force Operation and Maintenance, Air Force (OMAF), PE 35207F, for the RC-135 Rivet Joint signals intelligence collection program. This request exceeds the amount requested in fiscal year 2014, when operational tempos and budgets were higher. The committee recommends a reduction of \$8.0 million, which represents an increase over the fiscal year 2014 appropriated amount.

Combatant Commanders Direct Mission Support reduction

The budget request included \$35.3 billion in Operation and Maintenance, Air Force (OMAF), of which \$871.8 million was for Combatant Commanders Direct Mission Support.

The committee recommends a decrease of \$11.0 million in OMAF for a classified program. Additional information is provided in the classified annex.

Joint Enabling Capabilities Command

The budget request included \$237.3 million in Operation and Maintenance, Air Force (OMAF) for Combatant Commanders Core Operations, of which \$40.7 million was for Joint Enabling Capabilities Command (JECC).

The committee believes this funding should be realigned to support high priority readiness requirements.

Accordingly, the committee recommends a decrease of \$20.0 million in OMAF for JECC.

United States Pacific Command unfunded priorities increases

The budget request included \$35.3 billion in Operation and Maintenance, Air Force (OMAF), of which \$1.0 billion was in logistics operations.

The United States Pacific Command (PACOM) has identified specific amounts in readiness accounts that could help offset the negative impacts of sequestration and accelerate readiness recovery. The committee notes that this recommended increase will mitigate a critical munitions shortfall program for PACOM.

Accordingly, the committee recommends an increase of \$10.3 million in OMAF for logistics operations.

In the procurement of ammunition budget tables, the committee recommends a related funding increase to mitigate a critical munitions shortfall program for PACOM.

U.S. Special Operations Command-National Capital Region

The budget request includes \$5.0 million in Operation and Maintenance, Defense-wide (OMDW), for the U.S. Special Operations Command-National Capital Region (SOCOM-NCR) initiative. The committee received notification on March 19, 2014, from the Assistant Secretary of Defense for Special Operations and Low-Intensity Conflict that SOCOM has discontinued efforts to develop and implement its concept for a SOCOM-NCR office.

Therefore, the committee recommends no funding in OMDW for the SOCOM-NCR.

Regional Special Operations Forces Coordination Centers

The budget request includes \$3.6 million in Operation and Maintenance, Defense-wide (OMDW), for the Regional Special Operations Coordination Centers (RSCC). The committee believes that the requested funding is excessive for the purposes of concept development, study, & planning as outlined in the budget justification materials. Elsewhere in the bill, the committee recommends a provision that would prohibit establishment of RSCCs.

Therefore, the committee recommends \$1.8 million in OMDW for RSCC concept development, study, and planning.

U.S. Special Operations Command unfunded readiness requirements

The budget request included \$4.76 billion in Operation and Maintenance, Defense-wide, for U.S. Special Operations Command (SOCOM). The committee notes that the Commander of SOCOM has identified \$344.2 million in unfunded readiness requirements for U.S. Special Operations Forces. The committee is concerned that current fiscal pressures have forced SOCOM to assume unacceptable risk in its training programs.

Therefore, the committee recommends an additional \$36.4 million to support aircrew training hours, the SOCOM Commander's

top unfunded readiness requirement, and \$20.0 million for high priority unit readiness training, which was also identified by the SOCOM Commander as an unfunded readiness requirement.

Department of Defense STARBASE program

The budget request included no funding for the Department of Defense (DOD) STARBASE program. The purpose of STARBASE is to improve the knowledge and skills of students in kindergarten through 12th grade in science, technology, engineering, and math (STEM) subjects, to connect them to the military, and to motivate them to explore STEM and possible military careers as they continue their education. STARBASE currently operates at 76 locations in 40 states and the District of Columbia and Puerto Rico, primarily on military installations. To date, nearly 750,000 students have participated in the program. STARBASE is a highly effective program run by our dedicated servicemembers and strengthens the relationships between the military, communities, and local school districts.

The committee notes that the budget request eliminated funding for this successful program due to a reorganization of STEM programs throughout the Federal Government, and believes that STARBASE should continue to be operated by DOD.

Therefore, the committee recommends an increase of \$25.0 million for the DOD STARBASE program.

Procurement technical assistance program

The budget request included \$381.4 million in Operation and Maintenance, Defense-wide (OMDW) for the Defense Logistics Agency, of which, \$23.0 million was for the procurement technical assistance program (PTAP).

The committee notes that the purpose of the PTAP is to enhance the industrial base, improve local economies, and generate employment by assisting small businesses with help from the Department of Defense, federal agencies, and state and local governments.

Accordingly, the committee recommends an increase of \$12.7 million in OMDW for the PTAP.

Defense Security Cooperation Agency

The budget request includes \$544.8 million in Operation and Maintenance, Defense-wide for the Defense Security Cooperation Agency, of which \$34.4 million is for the Combating Terrorism Fellowship Program (CTFP). While the committee remains supportive of this program, the committee is concerned about the expanding activities and increased operating costs of the CTFP at a time of fiscal challenges. The committee encourages the CTFP to focus its activities on its core counterterrorism training and education and a limited number of regions where the threat posed by terrorism is the most significant. As such, the committee recommends an undistributed decrease of \$7.0 million for the CTFP.

The budget request also includes \$12.2 million for the Defense Institute Reform Initiative (DIRI) and \$2.6 million for the Defense Institute for International Legal Studies (DIILS). While the committee recommends no funding reduction to the DIRI and the DIILS programs, the committee directs the Director of the Defense

Security Cooperation Agency to adjust, as appropriate, the budget documentation in the next fiscal year to redirect the funding from DIRI and DIILS to the human rights training initiative authorized in this Act.

Funding for impact aid

The amount authorized to be appropriated for Operation and Maintenance, Defense-wide, includes the following changes from the budget request. The provisions underlying these changes in funding levels are discussed in greater detail in title V of this committee report.

[Changes in millions of dollars]	
Impact aid for schools with military dependent students	25.0
Impact aid for children with severe disabilities	5.0
Total	30.0

Defense-wide funding decrease for ahead of need request

The budget request included \$186.9 million in Operation and Maintenance, Defense-wide (OMDW) for the Office of Economic Adjustment (OEA), of which \$80.6 million was for water and wastewater infrastructure improvements. The committee remains concerned that the funds requested for the OEA are ahead of need. Accordingly, the committee recommends a decrease of \$80.6 million in OMDW for the OEA.

Defense-wide funding decrease for 2015 base realignment and closure support

The budget request included \$1.8 billion in Operation and Maintenance, Defense-wide (OMDW) for the Office of the Secretary of Defense, of which \$4.8 million was support for a 2015 round of base realignment and closure (BRAC).

The bill recommended by the committee would prohibit the expenditure of funds for a new BRAC round. Accordingly, the committee recommends a decrease of \$4.8 million in OMDW for the 2015 BRAC round.

Department of Defense rewards program reduction

The budget request included \$1.8 billion in the Operation and Maintenance, Defense-wide (OMDW) for the Office of the Secretary of Defense, of which \$7.9 million was for the Department of Defense (DOD) rewards program.

The committee is concerned that the DOD rewards program has been hampered by historical under-execution for several years now. Accordingly, the committee recommends a decrease of \$4.0 million in OMDW for the DOD rewards program.

Additional intelligence, surveillance, and reconnaissance support to United States Africa Command

The budget request includes \$31.2 billion for Operation and Maintenance, Defense-wide (OMDW). Within that amount for classified programs, the budget justification material identifies no specific funding to sustain intelligence, surveillance, and reconnaissance (ISR) support to any of U.S. Africa Command's (AFRICOM) ongoing operations.

The fiscal year 2015 request includes no funding for contract ISR, which will mean that, absent congressional action, Operation Observant Compass ISR support will depend on the Global Force Management Allocation Process (GFMAP). The GFMAP has not resulted in adequate ISR support to AFRICOM in the past. Therefore, the committee recommends \$60.0 million in OMDW to sustain ISR support to AFRICOM and further directs the Secretary of Defense to ensure the GFMAP is used to provide appropriate ISR support to AFRICOM operations.

Defense Clandestine Service

The budget request included classified amounts in Operation and Maintenance, Defense-wide (OMDW), for the Human Intelligence Enabling project for the Defense Clandestine Service (DCS) initiative in the Defense Intelligence Agency. The request represents an increase of \$13.3 million for fiscal year 2014. The Department of Defense (DOD) has consistently maintained that the DCS initiative would be executed within existing planned resources, and the committee notes that DOD's original plans for DCS have been scaled back. The committee does not support growth in this area and recommends a decrease of \$13.3 million.

Operational support to the Defense Clandestine Service

The budget request includes classified amounts in Operation and Maintenance, Defense-wide (OMDW) for the Operational Human Intelligence project in the Military Intelligence Program budget of the Defense Intelligence Agency. The budget request for this project includes an increase of \$5.1 million in support for the Defense Clandestine Service. The Department of Defense (DOD) has consistently maintained that the DCS initiative would be executed within existing planned resources, and the committee notes that DOD's original plans for DCS have been scaled back. The committee does not support growth in this area and recommends a decrease of \$5.1 million.

Review of operation of certain ships during Vietnam era

The budget request included \$31.2 billion for Operation and Maintenance, Defense-wide (OMDW). In a legislative provision located in title X of this committee report, the committee recommends a provision that would direct the Secretary of Defense to review within 1 year of the date of enactment of this Act the logs of each Navy ship known to have operated in the waters near Vietnam between January 9, 1962, and May 7, 1975, to determine whether the ship operated in the territorial waters of the Republic of Vietnam during that period, and if so, when.

Accordingly, the committee recommends an increase in OMDW of \$5.0 million to reflect this provision.

Support for international sporting competitions

The budget request included \$1.8 billion in Operation and Maintenance, Miscellaneous Appropriations (OMMA), of which \$10.0 million was for Support for International Sporting Competitions (SISC), Defense account.

The committee understands that the Department of Defense expects to allocate approximately \$1.0 million to \$3.0 million in SISC resources in support of the 2015 Special Olympics World Summer Games.

The committee is concerned that as of March 2014, the SISC account still has \$3.8 million from fiscal year 2013 in unallocated carryover, in addition to \$4.3 million in allocated but unobligated funds for sporting events that have since concluded from the 1990s and the early 2000s.

Accordingly, the committee recommends a decrease of \$4.3 million in OMMA to the SISC Defense account.

Items of Special Interest

Acoustic mixing

The committee understands that the Army currently uses low-frequency, high-intensity sound waves, in a technology called “acoustic mixing” during the manufacturing of some munitions. Acoustic mixing makes it possible to efficiently mix a wide variety of materials, including highly viscous substances. The committee further understands that this process could have the potential to improve industrial efficiency and productivity. The committee encourages the Army to continue to evaluate acoustic mixing capabilities that could increase industrial productivity, decrease adverse environmental impacts, and enhance safety.

Active and Reserve funding efficiencies for training

The committee understands that the pace of recent combat and contingency operations, the needs of the total force, and fiscal constraints have determined the Army’s use for brigade-level combat training at each of its three Combat Training Centers (CTC). Active duty brigade combat teams (BCT) conduct training at one of the CTC every 2 to 3 years on average, while Army National Guard BCT conduct collective CTC training every 7 years on average.

The committee believes that there may be cost effective and efficient options for active component training using reserve component training facilities. For active component units not assigned to combat brigades, at echelons above or below brigade-level, and for those units not routinely participating in a CTC rotation, the committee is interested to learn if reserve component regional training institutes and centers may provide a cost effective means to provide access to enhanced training resources and improve or sustain readiness.

Accordingly, the committee directs the Secretary of the Army to review current unit training funding mechanisms that do or could allow for possible integration and use of active component units at reserve component training facilities. The review should consider existing policies and processes for active and reserve component training and resources, and recommendations that may improve training effectiveness and cost efficiency. The review should also include an outline of all existing reserve component training facilities at which active component training might improve readiness. The Secretary shall submit a report on the results of this review to this

committee no later than 1 year from the date of enactment of this Act.

Additive manufacturing

The committee notes that Senate Report 113–44 of the National Defense Authorization Act for Fiscal Year 2014 required the Secretary of Defense to prepare a briefing or report to the congressional defense committees on the potential benefits and constraints of additive manufacturing, how the process could or could not contribute to Department of Defense (DOD) missions, and what technologies being developed at the National Additive Manufacturing Innovation Institute (NAMII) are being transitioned for DOD use.

The committee directs the Comptroller General to: (1) Analyze and report to the congressional defense committees on the sufficiency of the DOD’s report in addressing the requirements; (2) Review the extent to which DOD has a process in place to ensure that additive manufacturing initiatives are coordinated across the DOD; and (3) Examine DOD’s methods for determining whether these initiatives will improve combat capability, achieve performance improvements, and/or cost efficiencies over conventional manufacturing techniques. The Comptroller General review shall be delivered to the congressional defense committees no later than March 30, 2015.

Afghanistan retrograde costs

The committee recognizes that the retrograde of equipment and personnel from Afghanistan is a significant logistical challenge for the Department of Defense (DOD). According to Department officials, there are three primary options for the retrograde and reduction of equipment in Afghanistan: removing the equipment from Afghanistan, transferring the equipment to another agency or government, or destroying the equipment in theater.

The committee notes that the Government Accountability Office (GAO) has reported in the past on the need for DOD officials to conduct and document analyses that compare the costs of and benefits of equipment retrograde, and that cost-benefit analyses should be a key factor in decision-making. Additionally, the committee notes that the GAO has also reported that one of the primary costs the Department should consider is the cost of equipment transportation, and that it is particularly important when considering what to do with equipment that exceed a Service’s approved acquisition objective (AAO). The committee believes that retrograde internal controls could be more efficient and cost-effective. Consequently, the committee is concerned about the potential accrual of unnecessary transportation costs resulting from the return of equipment from Afghanistan.

Accordingly, the committee directs the Secretary of Defense to provide a briefing or a report to the committee no later than February 1, 2015, demonstrating what actions the Department has taken to ensure that justifications for returning equipment from Afghanistan that exceeds their AAO are documented and receive management review, and that transportation and all other relevant costs are included in disposition decision-making for equipment returning from Afghanistan.

Air tactical training

The committee understands that the Active and Reserve Air Force and Navy components have successfully used contracted fighter aircraft to augment some aspects of air tactical training to replicate adversaries with electronic warfare capabilities and joint terminal attack controller training. The committee notes that outsourced air tactical training brings potential benefits of prolonging aircraft service life and decreased costs in flying hour programs, especially with respect to fifth generation fighters. Given the current climate of fiscal constraints coupled with the potential to preserve valuable readiness resources, the committee encourages the military services to consider expanding the use of contracted air tactical training to additional units for appropriate missions.

Army and Marine Corps equipment reset

The committee notes that billions of dollars' worth of equipment has and continues to be retrograded from Afghanistan and the Army and Marine Corps continue to face a multi-year and multi-billion dollar effort to reset this equipment to a combat-ready condition. Both the Secretary and Chief of Staff of the Army have testified to this committee that during fiscal years 2013 and 2014, the Army had reset approximately 87,000 pieces of equipment at the depot level and about 300,000 pieces of equipment at the unit level. But as a result of sequestration, the Army had deferred approximately \$729.0 million of equipment reset, postponing the repair of nearly 700 vehicles, 28 aircraft, and over 2,000 weapons and prepositioned stock. The Army leadership further projects that its reset requirement of equipment will extend at least 3 years after redeployment and will cost approximately \$9.6 billion.

Conversely, the Marine Corps leadership has testified to this committee that while its equipment reset liability cost was approximately \$3.2 billion last year, it had made significant progress to date and now estimates that its remaining reset liability will cost about \$1.1 billion. The Marine Corps leadership has also testified to this committee that its reset requirements will continue at least 2 to 3 years after its equipment has redeployed.

The committee notes that the Government Accountability Office (GAO) has reported in the past on the need for more accurate cost estimates and reporting of the Army and Marine Corps projected equipment reset liability requirements. Additionally, the GAO has reported on the need for a standard Department of Defense-wide definition of reset for use in the overseas contingency operations budgeting process. Consequently, the committee is interested in verifiable financial reset requirements reported by the Army and Marine Corps.

Accordingly, the committee directs the Comptroller General of the United States to provide the committee with an assessment of the Army and Marine Corps extended equipment reset liability costs and requirements. This assessment shall include, but not be limited to: the extent to which the Army and Marine Corps are using a consistent definition of reset in estimating their reset liability costs, the types of costs included in the Army and Marine Corps reset liability estimates, an analysis of any assumptions used in developing the Army and Marine Corps estimates, to in-

clude the planned funding resources, and any other issue the Comptroller General determines appropriate with respect to the Army and Marine Corps reset cost estimates.

The committee directs the Comptroller General to provide a briefing or deliver a report to the committee no later than March 15, 2015.

Army Emergency Management Program

The 2009 Army Emergency Management Program sought to integrate planning, execution, and response management to all-hazard incidents affecting Army installations and activities.

The committee directs the Secretary of the Army to brief the congressional defense committees on the status of and plans for Army emergency management training no later than August 1, 2015.

Availability of funds for readiness

Over the course of the last year, senior Department of Defense (DOD) leaders, both military and civilian, have urged the committee to help DOD restore military readiness. The bill recommended by the committee seeks to achieve this objective by preserving the full amount of funding for operation and maintenance (O&M) requested by DOD, while shifting funds within O&M accounts to meet high priority readiness needs. The committee urges DOD, in executing the fiscal year 2015 defense program, to avoid any funding transfers that would reduce O&M funding. To the extent additional funds become available for reprogramming during the course of the fiscal year, for example, as unobligated funds become available from fact-of-life delays and under execution, then, the committee urges DOD to consider transfers that would help address high priority readiness needs.

Budget execution for Kwajalein Atoll

The committee directs the Secretary of the Army to submit with the fiscal year 2016 President's budget submission a report for the Kwajalein Garrison on the type and level of funding over the future years defense program. The report should identify the performing Army agency for each category of funding and should also include a 10-year profile of planned facilities recapitalization.

Category I ammunition items

The committee notes that Category I ammunition items, including certain man-portable missiles and rockets, are highly explosive, extremely lethal, and a potential threat if they were to be used by unauthorized individuals or groups. To help protect these items and minimize the risk of loss or theft, it is critical that the Department of Defense (DOD), among other security measures, have sound inventory controls and accountability. The committee notes that recent Government Accountability Office reports on inventory management have found that DOD information systems used to facilitate inventory management have some limitations that prevent DOD's ability to have Department-wide visibility of its inventory, including Category I ammunition items.

Accordingly, the committee directs the Comptroller General of the United States to evaluate the extent to which the military

Services, in accordance with policies and procedures, have: (1) Established and maintained serial number registration and reporting of these assets; (2) Conducted physical inventories as a check against the accountability record, including recording adjustments to inventory and the rationale for such adjustments; and (3) Established procedures for maintaining proper accountability for shipped assets (i.e. when custody for the asset is transferred to another entity).

The committee directs the Comptroller General to provide such a report to this committee no later than March 15, 2015.

Coal-to-liquid report

The Senate Report 113–44 accompanying S. 1197, the National Defense Authorization Act for Fiscal Year 2014, required the Secretary of Defense, in consultation with the Secretary of Energy, to submit a report to the committee on the feasibility of potential technologies that could enable coal-to-liquid (CTL) fuels to meet the requirements of the Department of Defense (DOD) consistent with section 526 of the Energy Independence and Security Act of 2007 (Public Law 110–140) by February 1, 2014.

The committee remains concerned that DOD has yet to provide that required report to the committee. The committee did receive an interim response delaying the report because DOD is working in consultation with the Department of Energy to ensure the most thorough examination occurs.

Accordingly, the committee expects the Secretary of Defense to deliver the required CTL report no later than July 31, 2014, in accordance with the commitment made in the interim response.

Combatant Command Support Agent accounting

The committee reported in Senate Report 113–44 accompanying Senate bill S. 1197, the National Defense Authorization Act (NDAA) for Fiscal Year 2014 (Public Law 113–66) on page 85 that: The committee notes the Operation and Maintenance budget justification material within the Air Force’s Combatant Commander Direct Mission Support and Combatant Commanders Core Operations (Lines 130 and 140) accounts are a consolidation of multiple combatant commands under the purview of the Air Force as Combatant Commander Support Agent. The committee is concerned that due to this consolidation, the justification material lacks the level of detail necessary for this committee to make informed budget decisions. Accordingly, the committee directs the services to annually deliver independent, detailed budget justification for each combatant command they are assigned Combatant Command Support Agent responsibility.

The consolidated manner in which combatant command material is presented provides an incomplete depiction of combatant command budgets, fails to provide the necessary detail required to justify the budget request, and introduces confusion into congressional processes. This lack of detail related to specific budget items was directly attributable to past misperceptions about unjustified increases. These perceived increases led to reductions to combatant command accounts in the fiscal year 2013 NDAA which neces-

sitated reprogramming actions at considerable expense in time and effort.

Language was explicitly inserted into the fiscal year 2014 NDAA to correct these shortfalls, but examination of the fiscal year 2015 congressional justification material incorporated in the fiscal year 2015 Budget Estimates, Operation and Maintenance, Air Force, Volume 1, clearly demonstrates the Air Force failed to make the corrective action as directed.

The committee directs the Secretary of the Air Force to brief the congressional defense committees on actions they will take to ensure that the level of detail is provided in the budget exhibits to ensure the needs of the combatant commanders are met. This briefing is to occur no later than October 1, 2014.

Comptroller General of the United States report on the Department of the Army actions to determine the appropriate structure of the Army

The committee directs the Comptroller General of the United States to submit a report to the congressional defense committees on a comprehensive review of the Department of the Army's data, analysis, decisionmaking processes, and plans for structuring, readying, and managing the forces of the Army, including the regular Army, the Army National Guard, and the Army Reserve. The required report will include a description and assessment of the manner in which the Department of the Army determines the size and force mixtures of the components of the Army in order to fulfill the national security missions of the Army, including any data on cost, readiness, effectiveness, and other factors available and used by the Department in making that determination. The Comptroller General shall provide an interim briefing not later than March 1, 2015, and a final report on March 1, 2016.

Comptroller General review of readiness

The committee recognizes that for many years the Department of Defense (DOD) has used C-ratings to measure unit readiness of its forces. The Global Status of Resources and Training System (GSORTS) was created to measure unit readiness in terms of resources with respect to authorized and assigned or on-hand personnel and equipment, the operating status of equipment, and the level of training achieved. GSORTS was then able to capture "ready with what." Later, Defense Readiness Reporting System was intended to take readiness reporting a step further to capture and incorporate, "ready for what." More recently, in support of combat operations in Iraq and Afghanistan, some units have repeatedly been deployed and task organized to execute missions that have differed from their core functions or the types of military operations for which the unit is designed. Accordingly, the DOD added assigned mission and capability ratings to its traditional C-ratings. The Services and combatant commands also began reporting readiness assessment levels (RA-levels) to capture their strategic readiness.

The committee is concerned that these metrics do not fully capture or articulate the time component of readiness. For example, the C-ratings and assigned mission ratings tend to emphasize read-

iness at a particular point in time, or the day the rating is achieved. Meanwhile, capability and RA-ratings have an implied time component as they measure readiness against timelines required to support operation and contingency plans. However, the committee is concerned that none of these metrics clearly answer the question of when forces, if not fully manned, trained, equipped, and ready, will be ready for sourcing decisions or risk assessment. Throughout the last decade of combat operations in Iraq and Afghanistan, too often the appropriate level of readiness for deploying active and reserve component units was achieved “just in time” prior to deployment. In some cases, training shortfalls or changes in mission required additional training in theater prior to operational employment of a unit.

In an era of fiscal uncertainty and significant risk to resources, the committee believes “just in time” does not adequately inform strategic and operational risk assessments nor distinguish which units can provide ready forces to meet combatant commander requirements.

Accordingly, the committee directs the Comptroller General to report to the congressional defense committees not later than March 1, 2015, analyzing the extent to which time is or has been incorporated as a quantitative or qualitative component of current and past readiness metrics. The analysis shall describe any efforts the Services, combatant commands, Joint Staff, or the Office of the Secretary of Defense have made to modify their readiness metrics or add any additional metrics to better address the question of when units or commands will be ready.

Continued Defense-wide and interagency collaboration in the military working dog program

The committee recognizes the value of military working dogs (MWD) in support of the mission of the U.S. Armed Forces. MWDs have been important to the Department of Defense (DOD) in support of military training and combat operations. The MWD program covers a broad range of military missions, including security and patrol, explosives detection, search and rescue, and guard duties. Furthermore, MWDs are expected to operate in the harshest of climates and support our troops in combat. The joint nature of the MWD program also requires a high level of interoperability. The 341st Training Squadron at Lackland Air Force Base consolidates training for MWDs across DOD and other federal agencies. This consolidation helps to ensure uniformity of training, promotes the valuable exchange of experience and ideas, and enhances interoperability.

The committee believes that the MWD program should continue its current collaboration efforts in the field of training and research. The committee also believes that through a coordinated effort between DOD, federal agencies, the veterinary community, universities, and other research centers, the MWD program will continue to provide useful mission support.

Finally, the committee encourages DOD to continue to develop its training and research to include expanding its interaction with outside entities in order to better serve our Nation’s security and combat capabilities.

Depot capital investment program

The committee remains concerned that the Army and the Navy continually fail to appropriately invest in the capital budgets of the covered depots required by law. Section 2476, title 10 of United States Code, requires that at least 6 percent of the average total combined maintenance, repair, and overhaul workload funded at all the depots of a military department be reinvested into depot infrastructure and capital assets.

The committee commends the Air Force for investing 7.6 percent in fiscal year 2013, planning 8.9 percent in fiscal year 2014, and 9.5 percent in fiscal year 2015, despite the negative effects of sequestration. Conversely, the committee notes that the Navy plans to only invest 3.4 percent and the Army only 3.6 percent in fiscal year 2015.

The committee strongly urges the Army and the Navy to adhere to their statutory requirements with respect to the minimum capital investment program. Furthermore, with the drawdown of combat operations and likely prospect of declining depot workload, the Department of Defense should engage with the committee if the previous 3-year average workload calculation is no longer an appropriate benchmark for capital depot investment.

Lastly, the committee notes that in the operation and maintenance budget tables, the committee recommends funding increases which will meet the minimum capital investment threshold of 6 percent across all the military services, as required by law.

Enhanced visibility for credentialing and installation access programs and systems

The committee is concerned that there is a lack of coordination among the efforts of the military services and defense agencies to support credentialing at defense installations, which is a key component of addressing the insider threat problem. No single office in the Department of Defense (DOD) is responsible for this effort or even tracks all of the programs and systems used for credentialing throughout DOD. Therefore, the committee directs the Secretary of Defense to provide a report to the congressional defense committees concurrent with the budget submission for fiscal year 2016 that identifies all DOD credentialing and physical access control programs and systems, including commercially contracted services and other commercially provided services.

The report should cover all programs and systems intended to provide credentials and/or manage installation access of uniformed members, civilian employees, military dependents, military retirees, vendors, contractors, suppliers, service providers, and visitors. The report should also include all programs and systems the services and DOD have operationally deployed in research and development and in pilot or prototype demonstration.

The report shall also include an estimate of the total cost to DOD for such credentialing, including both direct and indirect costs. This report shall be submitted in an unclassified form.

Humanitarian Demining Training Center

The committee recognizes and expresses its support of the Department of Defense (DOD) Humanitarian Mine Action (HMA) pro-

gram and the Defense Security Cooperation Agency's Humanitarian Demining Training Center (HDTC) and its mission to train and prepare U.S. military forces and U.S. Government HMA stakeholders, who in turn train U.S. foreign partners to conduct HMA missions in the detection and clearance of landmines and other explosive remnants of war, as well as the disposal, demilitarization, physical security, and stockpile management of potentially dangerous stockpiles of explosive ordnance. This training delivers direct benefits to host nations while giving U.S. teams valuable field experience, given that U.S. forces might not otherwise deploy to these nations. HDTC works with many U.S. Government agencies, the United Nations, and non-governmental mine action organizations, as appropriate, serving as a clearinghouse and collector of mine action information for the U.S. Government. The HDTC also helps develop new demining methods and technology appropriate for lesser developed countries.

The committee, therefore, encourages the HDTC and DOD HMA program to continue engaging with international partners and allies, when practical, including allies from the North Atlantic Treaty Organization, to ensure a coordinated and holistic approach to achieve geographic combatant commander security needs.

Improving energy efficiency and performance of military platforms

The committee notes the critical role that fundamental understanding of aerodynamics, physics, and fluid dynamics play in support of Department of Defense (DOD) goals to enhance the energy efficiency of military platforms. For example, the design and development of systems that reduce the drag caused by turbulent air flow can often enhance the performance of military platforms and munitions, including reducing fuel consumption and enhancing flight performance.

The committee notes that there exists only limited domestic laboratory experimentation and computer simulation capability to study these technical issues. The committee recommends that the Secretary of Defense coordinate, and to the extent appropriate, collaborate with government laboratories, universities, and other research facilities and organizations pursuing military-relevant aerodynamics, physics, fluid dynamics, and other related research to ensure that DOD derives maximum value and combat capability from ongoing advances in these important disciplines.

Incentivizing alternative fuel and fuel cell vehicle refueling stations

The committee directs the Secretary of Defense, in consultation with the Secretary of Energy, to report to the committee on options to support the development and deployment of alternative fuel vehicle refueling stations, to include electric, fuel cell, and compressed natural gas vehicles on Department of Defense (DOD) property.

The committee is interested in an analysis of possible financing tools including, but not necessarily limited to, competitive federal research awards, contracts, credit assistance, public-private part-

nerships, coordinated government purchase strategies, and membership-based cooperatives.

The committee notes that DOD actions should be consistent with national security priorities and market conditions.

The Secretary shall deliver the report to the committee no later than March 1, 2015.

Jungle training

The committee understands that after more than a decade of combat operations in the Middle East, the Department of Defense (DOD) is rebalancing to the Asia-Pacific region. As a result, the committee is concerned with the potential challenges that the Armed Forces may face if operating in tropical environments which exist in the Asia-Pacific region. Among other challenges, triple canopy covers, dense vegetation, intelligence, surveillance, and reconnaissance difficulties, and limited sources of potable water could make for difficult conditions where training and education will be vital for success in combat operations.

The committee understands that the U.S. Army Jungle Operations Training Center (JOTC) at Fort Sherman, Panama, was closed in 1999. The committee notes that DOD does not currently have an organic ability to train soldiers for jungle operations, and has been sending military servicemembers in small numbers to various countries for jungle training.

The committee also recognizes that the 25th Infantry Division (ID) at Schofield Barracks has recently begun training for jungle operations. The committee recognizes that there is a valid need for this type of training and appreciates the efforts of the 25th ID to prepare soldiers for jungle operations. The committee understands that the Army has not programmed resources specifically for jungle training and is conducting the training out of existing budgetary resources. It appears that sufficient resources may not be aligned and executed in a coordinated effort to provide this important training.

Accordingly, the committee encourages DOD to allocate the appropriate amount of coordinated resources, if DOD determines that there is a valid need to continue to provide jungle training to military personnel.

Management of conventional ammunition inventory

The committee recognizes the efforts of the Department of Defense (DOD) to modernize, transform, and integrate the Services' ammunition logistics database. The committee has reviewed current inefficiencies that resulted in diminished accountability per a recent report by the Government Accountability Office. Accordingly, no later than 180 days after the enactment of this Act, the Secretary of Defense shall provide a report to this committee identifying an authoritative DOD-wide repository of data on conventional ammunition, together with the total cost and timeframe for implementation, that: (1) Uses a standard data exchange format consistent with the Defense Logistics Management Standards Office; (2) Provides a single source of conventional ammunition data as inputs into DOD decision support systems, such as those used for readiness reporting and operational planning; (3) Collects com-

prehensive, accurate data, consistent with federal internal control standards, from other service ammunition systems in order to provide real-time or near-real-time total ammunition asset visibility; (4) Enables quarterly stratified reporting through the Office of the Executive Director for Conventional Ammunition or another authority; and (5) Meets the conventional ammunition data functionality needs of all DOD components that require visibility of these data.

Additionally, the committee directs that all stratified reporting will include complete and detailed accounting for all ammunition that in a previous year was unclaimed by another service and categorize for disposal.

Marine Corps Prepositioning Program—Norway

The committee recognizes that the Marine Corps Prepositioning Program—Norway (MCPN) was established as part of the Department of Defense's (DOD) Cold War posture and relationship with the North Atlantic Treaty Organization. The committee notes that equipment use from MCPN has predominantly been for training and joint exercises in Europe rather than to supplement equipment shortfalls for combat operations in Iraq and Afghanistan. The committee is concerned that over the past 35 years, only 11 percent of the total use of MCPN has gone to support major combat operations.

In the past, the DOD has stated that the need for prepositioning materiel and equipment should be based on requirements for an approved operation plan, but the Marine Corps has stated that there is no direct operation plan impacts currently associated with MCPN. The committee recognizes the current situation in Ukraine could have an effect on future plans for MCPN.

The committee also notes that over the next several years, the Marine Corps plans to transition MCPN's equipment profile from primarily engineering and transportation equipment to support a capabilities-based Marine Aviation Group Task Force (MAGTF) as soon as the end of fiscal year 2015. The Marine Corps has indicated that the MCPN will include additional equipment to support specialized capability sets, security cooperation packages, and retain the ability to augment up to a Marine Expeditionary Brigade-sized force.

The committee is concerned that MCPN recently only had 48 percent of its major equipment items on hand. Additionally, the committee is concerned that it is unclear what the full cost of the planned transition and operation to support MAGTF capabilities will be in the years to come. Lastly, the committee notes that the most recent Government Accountability Office review of MCPN was in 1989.

Accordingly, the committee directs the Comptroller General to prepare a briefing or report to the committee no later than March 1, 2015 on: (1) How MCPN supports the overall DOD and Marine Corps prepositioning program; (2) The Marine Corps' prepositioning plans for MCPN, how they were developed, and the military requirements they address; (3) The unique capabilities, if any, that MCPN provides to meet the prepositioning requirements of EUCOM and AFRICOM; and (4) the funding plan to tran-

sition MCPP–N to support MAGTF capabilities and the future projected costs to the United States and Norway.

Measuring Department of Defense use of commercial cloud computing capabilities and services

The committee believes that the use of cloud computing to support Department of Defense (DOD) computing missions can lead to significantly higher performance and reduced costs, while leveraging the innovative capacity of the commercial information technology (IT) sector, and maintaining required security and reliability to meet DOD needs. The committee notes that the President’s fiscal year 2015 budget materials indicated that “as a result of the Administration’s Cloud First policy, Federal agencies adopting cloud-based IT systems are increasing operational efficiencies, resource utilization, and innovation across the Government.” The committee is concerned that DOD is not moving expeditiously in evaluating and adopting market-tested commercial approaches to cloud computing to meet mission needs.

Accordingly, the committee directs the DOD Chief Information Officer to sponsor an independent study to develop metrics to assess DOD’s progress in evaluating and adopting commercial cloud capabilities. The committee recommends that metrics could include: cost savings or avoidance to DOD programs through use of commercial cloud services; the technical merit, relevance, and value of additional DOD security requirements on commercial cloud providers relative to the requirements mandated by the government-wide and industry-supported Federal Risk and Authorization Management Program; the trends in new applications or services being hosted on military-unique clouds or computing centers versus commercial clouds; the time required to review, analyze, and accredit commercial cloud capabilities by DOD; and the application of DOD security and other controls to applications, systems, and services being hosted on military-unique clouds or computing centers relative to those being applied to potential commercial cloud systems.

The study also should assess and compare the features, performance, costs, and functionality of the “milcloud” (military cloud) developed by the Defense Information Systems Agency using government contractors to the leading commercial cloud technology.

The study should be delivered to the congressional defense committees no later than 180 days after the enactment of this Act.

Mission-critical electricity infrastructure adoption of National Institute of Standards and Technology Cyber Security Framework

The committee notes that in a report delivered in January 2008, the Defense Science Board Task Force on Department of Defense (DOD) Energy Strategy concluded that, “Military installations are almost completely dependent on a fragile and vulnerable commercial power grid, placing critical military and Homeland defense missions at an unacceptable risk of extended outage.” The report cited potential cyber-attack as a key source of risk to utility grids supplying power to mission-critical military facilities, noting that, “U.S. grid control systems are continuously probed electronically, and there have been numerous attempted attacks on the Super-

visory Control and Data Acquisition (SCADA) systems that operate the grid.” Additionally, the task force underscored the overwhelming consequences of electricity grid failures, finding that, “in addition to degrading national military and Homeland defense capabilities, failure of the grid for any extended period could significantly affect national economic and social stability. Pumps that move natural gas and oil through pipelines rely on electricity, as do refineries, communications systems, water and sewage systems, hospitals, traffic systems, first response systems, border crossing detection systems and major transportation hubs such as airports.”

The committee remains concerned about DOD’s continued dependence on “a fragile and vulnerable commercial power grid,” particularly in light of proven cyber-attack capabilities and demonstrated intent of adversaries to use cyber means to target U.S. and foreign electricity infrastructure. While the committee recognizes that military installations that rely on commercial electricity utilities have made some important strides in bolstering cyber defenses, there is no question that electricity grids supplying power to mission-critical DOD facilities remain highly vulnerable to cyber-attacks by nation-states and other sophisticated actors.

The committee notes that in February 2014, pursuant to Executive Order 13636, the National Institute of Standards and Technology (NIST) issued the initial iteration of a voluntary Framework for Improving Critical Infrastructure Cybersecurity, designed to leverage existing standards, guidelines, and best practices to reduce cyber risk to critical infrastructure. The framework articulates a “framework core,” which “presents a set of cybersecurity activities, desired outcomes, and applicable references—including existing industry and governmental standards, guidelines, and best practices—that are common across critical infrastructure sectors.”

The committee notes that the Department has begun to take some action to address electric power resilience for military installations, in response to section 2822 of the National Defense Authorization Act for fiscal year 2012 (P.L. 112–81).

The committee further notes that in February 2014, the Department of Energy issued the Electricity Subsector Cybersecurity Capability Maturity Model (ES–C2M2), which was designed to be “an easily scalable tool for the subsector’s implementation of the National Institute of Standards and Technology (NIST) Cyber Security Framework.”

The committee believes that the issuance of the NIST Framework and the ES–C2M2, as well as the positive embrace of these tools by many entities within the electricity subsector, are welcome signs that commercial electricity utilities are taking active measures to improve cyber defenses. However, the committee is concerned that the DOD may not have adequately assessed the extent to which these measures have, specifically, helped to address vulnerabilities in power grids serving mission-critical military installations.

In order to assess continued vulnerability of mission-critical military installations to power grid cyber-attacks, the committee directs the Secretary of Defense to undertake an inventory of mission-critical electricity infrastructure. This inventory shall include: (1) Identification of each mission-critical military facility located

within the United States; (2) Identification of the electricity infrastructure, including the utilities or entities operating such infrastructure, upon which each identified mission-critical military facility is directly dependent for electricity (for the purposes of this inventory, such infrastructure should be limited to infrastructure which, if destroyed or degraded, would directly cause a power outage to a mission-critical military facility); and (3) A survey of whether each identified electricity infrastructure states that it has adopted or is adopting the framework core of the NIST Framework for Improving Critical Infrastructure Cybersecurity.

The committee further directs the Secretary to provide a report to Congress, within 360 days of the date of enactment of this Act, summarizing the results of the inventory. The report shall be unclassified, with a classified annex, as appropriate.

Multi-modal retrograde contracts

The committee notes that the Department of Defense (DOD) Inspector General (IG) found that the DOD did not have effective controls over the storing and handling of retrograde equipment at aerial ports of debarkation (APOD) in Afghanistan. The DOD IG also found that U.S. Transportation Command (TRANSCOM) contracting officials did not establish effective security and oversight requirements to safeguard cargo staged for shipment at APOD in Afghanistan. The DOD IG stated that this occurred because contracting officials omitted specific security requirements, did not include effective monitoring and surveillance requirements, and did not appoint any oversight officials in Afghanistan. As a result, DOD has no assurance that contractors are properly securing cargo at Bagram and Kandahar APOD. Although existing contract language requires contractors to use commercial best practices for security of cargo, the DOD IG found that TRANSCOM was unaware of the existence and adequacy of each multi-modal contractor's cargo safeguarding procedures. For example, the DOD IG report documented examples of military vehicles determined to be ammunition-free arriving in Dubai and Baku with live ammunition and trash inside.

The committee notes that without stronger contract oversight, there is increased risk that equipment could be lost, damaged, or vandalized in transit.

Accordingly, the committee directs TRANSCOM to prepare a briefing or a report to the committee no later than January 1, 2015, on the contract modifications made to multi-modal contracts to better define security and handling requirements and a determination of the number and location of contractor officer representatives necessary to provide adequate contract oversight in Afghanistan. The briefing or report shall also include the steps taken to create and implement standard operating procedures and updates to the appropriate quality assurance surveillance plans to ensure proper securing and handling of equipment by military personnel, contractors, and their subcontractors.

Navy fire control radar and replacement

The committee encourages initiatives that increase operational availability rates and reduce the maintenance cost of warfighting

equipment, especially in the face of tightening resources from implementation of the Budget Control Act (Public Law 112–25). The committee understands that public-private partnerships can allow government entities and private industry to collaborate and develop unique efficiencies that may reduce costs to the taxpayers when appropriately implemented.

No later than 45 days after the date of enactment of this Act, the Comptroller General of the United States shall conduct a review and submit a report to this committee examining the Air Force public-partnership program for the repair of the dual mode transmitter in the F–16 fire control radar. The review shall determine the cost savings to date and the future estimated annual cost savings that this program may have achieved and to determine the feasibility and advisability of other services adopting similar programs.

The committee notes that the Navy may benefit from pursuing a similar public-private initiative for Navy aircraft, including the F/A–18. Therefore, the committee directs the Secretary of the Navy to examine the feasibility and advisability of establishing a public-private partnership for F/A–18 fire control radar module repair and refurbishment and submit a report summarizing the findings to this committee no later than September 30, 2014.

Network upgrades to the Kwajalein Garrison

The Kwajalein Garrison is the Nation’s primary long-range missile test support facility. It also hosts a number of critical sensors supporting space situational awareness. It has supported both of these missions for over 60 years and will continue to do so for the foreseeable future given its unique location. This committee has long-recognized the strategic importance of this garrison and the surrounding atoll.

A critical element of the garrison is the permanent workforce that maintains the unique sensor systems throughout the atoll. It has come to the attention of the committee that as late as January 2014, despite the recent availability of broadband internet connectivity to the garrison, the workforce and their families are required to use dial-up modems to communicate with the mainland. This is a morale issue, given many of the families who live on this atoll must arrange for their children to apply online for college, some 5,000 miles away, using a dial-up modem. At the request of the committee, the U.S. Army’s Network Command has undertaken an assessment of the actions needed to upgrade the garrison’s network and has begun an implementation of these upgrades.

The committee believes that the most pressing item is to ensure that the families who support this unique national security resource have the ability to communicate over the Internet comparable to that of their counterparts on the mainland. On March 6, 2014, the Army reported to the committee that initial efforts are now underway to permit the families on the atoll to use high-speed capabilities resident with other facilities of the garrison.

The committee directs the Secretary of the Army to report no later than September 30, 2014, on whether the families on the garrison have high speed Internet support and, if not, the reason why and what actions will be taken to remedy the situation.

The committee further directs the Secretary of the Army, based on the briefing given on March 6, 2014, to update the committee in the form of a briefing no later than March 31, 2015, on what actions have been taken and are to be taken over the future years defense program to upgrade the communications infrastructure of the garrison.

Operational assessment of the Defense Readiness Reporting System

The committee notes that the fiscal year 2013 annual report conducted by the Director, Operational Test and Evaluation (DOT&E) found that the Defense Readiness Reporting System—Strategic (DRRS–S) is not ready to proceed to initial operational test and evaluation (IOT&E) based upon the system deficiencies and lack of functionality demonstrated during an operational assessment.

The committee remains concerned that despite congressional direction for the Department of Defense (DOD) to first establish DRRS–S to eventually replace the Global Status of Resources and Training System (GSORTS) in the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261), the DOD has failed to progress to IOT&E.

Accordingly, the committee directs the Secretary of Defense to prepare a briefing or a report to the committee on the timeline and funding plan to provide DRRS–S with all the capabilities required for GSORTS retirement. Additionally, the briefing or report shall include a plan to have a certified red team to conduct penetration and exploitation testing to verify correction of the DOT&E’s information assurance findings and evaluate the ability of the DRRS–S to protect, detect, react, and restore against an operationally relevant cyber-security threat.

Operational energy benefits

The committee is encouraged by the Department of Defense’s fiscal year 2015 commitment to improving military capability, reduce costs, and decrease tactical risk through efforts to improve energy security and to better manage both operational and installation energy.

For example, the committee understands that the Army’s planned Abrams tank auxiliary power unit will use 92 percent less fuel idling and 9 percent less fuel during maneuvers. Similarly, the improved turbine engine program for Blackhawk and Apache helicopters is expected to reduce fuel use by 22 percent, reduce maintenance costs by 35 percent, and increase engine life by 20 percent compared to current engines, saving almost 14.0 million gallons of fuel per year. The committee also notes the fleet-wide average fuel savings is 21 percent with the fielding of advanced medium mobile power sources generators.

The committee also recognizes the role operational energy (OE) advisors have played on forward operating bases (FOBs). For example, one OE helped the Department save 2.5 million gallons in annual fuel avoidance, which equates to 1,000 fuel trucks not having to traverse dangerous roads and limits exposure to enemy attacks. Similarly, many FOBs require aerial resupply every 3 days with fuel and water making up 70 percent of the cargo. The investments

made to date in new and emerging OE technologies decrease resupply convoys to every 10 days, again reducing risk and vulnerability of attacks to troops. Additionally, the return on investment captured by energy savings with more efficient shelter and tent liners can pay for the upfront cost in less than 1 year.

The committee is encouraged by the Navy's focus on enhancing combat capability, increasing endurance and range, and using energy investments to increase readiness. Planned technologies such as improved ship hull coatings, more efficient stern flaps, and bow bulbs will create almost 1 week of additional steaming days on the same amount of fuel. Hybrid electric drives, currently installed in amphibious assault ships, can add 10 steaming days which would allow the Navy and Marine Corps more presence on station and to spend less time refueling and replenishing at sea. Additionally, the committee is encouraged by the Navy's efforts to program for energy sustainment, restoration, and modernization projects which factor in an energy return on investment and a yearly cost avoidance of \$15.1 million.

Consequently, the committee strongly encourages the Department to continue the progress made towards improving the military services' capabilities through appropriate investments in operational and installation energy.

Soldier equipment modernization program

The committee notes that in the fiscal year 2015 budget request the Army increased its soldier equipment modernization program by \$33.3 million, in addition to a baseline funding request of \$94.9 million. The committee understands that fiscal year 2015 is the first year of a planned multi-year program to provide next-generation organizational clothing and individual equipment and personal protective equipment to soldiers. The goal of the program is to provide life-saving and mission-enhancing gear to soldiers with a lighter, scalable, and adaptable protective capability that allows a greater range of motion and more effective performance.

The committee notes that the fiscal year 2015 budget request will fund the next increment of brigade combat teams with updated deployment equipment bundles containing enhanced combat helmets, load-bearing equipment, cold weather clothing, and flame resistant clothing.

The committee recognizes that for several years the Army's rapid fielding initiative program, using overseas contingency operations funding, has provided flame resistant clothing to all deploying soldiers to minimize the risk of burn injuries from improvised explosive devices. The committee notes that the Army's flame resistant uniforms are approximately double the cost of non-flame resistant uniforms. However, the committee is encouraged that non-deployed soldiers who are the most at risk to fire hazards, such as aviators, armor vehicle crewmen, and fuel handlers, currently receive and will continue to receive flame resistant uniforms specifically designed for their military occupational specialty.

The committee is also encouraged by the Navy's recent decision to field flame resistant coveralls to sailors aboard ships that face an increased risk to fires in tight quarters.

Strategic military infrastructure to support operation plans

The committee remains concerned about the structural condition and readiness status of the Military Ocean Terminal, Concord (MOTCO) and the Lualualei (LLL) annex Oahu to support the operational requirements of U.S. Pacific Command (PACOM).

A recent report by the Government Accountability Office (GAO) found that while the Department of Defense (DOD) has considered alternatives for mitigating a capability gap at MOTCO, alternatives have not been coordinated among the appropriate stakeholders, and DOD has not developed a coordinated and detailed plan laying out alternatives. The GAO also found that DOD has not agreed upon which set of alternatives should be pursued.

The committee notes that given the potential for delays to infrastructure repair work, the DOD could be accepting additional risk to executing its war plans by waiting to develop a plan to mitigate any potential capability gaps at MOTCO and other strategic military infrastructure within PACOM. Accordingly, the committee directs the Secretary of Defense to provide a briefing or report to the committee no later than February 1, 2015, on MOTCO and the LLL annex, including: (1) The funding strategy and mitigation plan to address any structural and readiness concerns; (2) Any impacts to operation plans; (3) Alternatives to mitigate any shortfalls that may occur during a potential capability gap; (4) The status of intra-service collaboration; and (5) The status of any relevant environmental impacts statements. If appropriate, the briefing or report may be submitted in a classified format.

Stryker sustainment

The committee notes that the Department of the Army currently sustains the Stryker family of vehicles under a sole source requirement and task order contract for “manufacturing, fielding, sustaining, improving, reset, retrofit, recapitalization (recap) and overhaul of the Stryker Family of Vehicles.” The total estimated value of this contract is \$5.1 billion. On January 30, 2012, the Assistant Secretary of the Army for Acquisition, Logistics, and Technology determined that only one source was qualified and capable of performing the work at a reasonable price to the government.

In the justification for other than full and open competition, the Army delineated the \$5.1 billion, 3-year contract into three broad categories: vehicles (\$2.0 billion), engineering support (\$0.6 billion), and logistical support (\$2.5 billion). This contract is up for renewal in October 2015. The committee understands that the Army currently intends to award another contract for other than full and open competition. Of the three broad categories cited in the Army’s justification document, it appears that logistical support offers the Army an opportunity to compete this contract, especially given the fact that eventually Stryker sustainment is planned to be transitioned to an organic industrial base capability.

Accordingly, the committee strongly encourages the Army to compete the logistical support aspect of the next Stryker requirement and task order contract in order to maximize efficiencies and cost savings.

Training for the Air Force weather program

The Air Force Weather Agency makes a significant contribution to improving combat effectiveness of our warfighters. The Air Force needs to modernize its weather training programs to be able to continue that contribution. The Air Force may be able to take advantage of different training regimes as it modernizes its training programs, including reliance on organic training, entering into or expanding cooperative programs with other government agencies, such as the National Oceanic and Atmospheric Administration, and entering into or expanding cooperative programs with colleges and universities that have meteorological training programs. The committee believes that the Air Force needs to investigate whether the service could improve the effectiveness and efficiency of its weather training programs by placing greater reliance on cooperative training programs. If this investigation shows promise for such programs, the committee encourages the Air Force to explore the options further.

Use of power purchase agreements to meet requirements for Military installations

The committee notes that on April 16, 2014, the Acting Deputy Secretary of Defense signed out Department of Defense (DOD) Directive 4180.01, "DOD Energy Policy," to provide a common energy framework to guide the full range of defense energy activities, including operational energy, facilities energy, and energy-related elements of mission assurance. The Directive established the DOD policy to enhance military capability, improve energy security, and mitigate costs in its use and management of energy.

The committee notes that in support of this policy, the DOD has increased the use of Power Purchase Agreements (PPA), in conjunction with the authority provided by section 2922a of Title 10, United States Code, to enter into long-term contracts of up to 30 years in order to generate or provide power for a military installation. These contracts have the potential to achieve cost savings while improving energy security by ensuring a reliable power supply to a military facility or installation.

The committee believes that PPAs, like authorities provided for military housing and other utilities, offer a substantial benefit to DOD by addressing the need for a reliable energy source with no upfront capital costs. The private sector finances and installs an energy generating system on land owned by DOD or on private land. A private entity owns, operates, and maintains the system and DOD agrees to purchase the power generated by the system over the life of the contract. A PPA generally shifts performance risk of the project from the government to the contractor. DOD is able to establish a known long-term electricity price for a portion of site load. A PPA provides a reliable power supply at a predictable cost for budget stability.

The committee notes that DOD guidance on the use of section 2922a recognizes the authority to enter into a contract for energy generating projects without the capital costs of construction either on a military installation or on private property. The committee also notes that, like housing privatization, regional or portfolio approaches in a contract that will provide energy to more than one

military installation may offer the potential for greater savings and best value. DOD also has the flexibility to enter into contracts that consider the availability of regional resources and use more than one energy source to achieve greater efficiencies and lower costs. In addition, section 2922a does not direct that a dedicated transmission line or other additional infrastructure be required for projects on private property if the availability and use of existing power distribution infrastructure will result in a lower cost over time. The committee encourages DOD to use the flexibility contained within the authority to maximize the efficiency and effectiveness of each contract.

The committee recognizes that Part 41.201 of the Federal Acquisition Regulations requires DOD to obtain required utility services from sources of supply which are most advantageous to the Government in terms of economy, efficiency, reliability, or service. While electricity prices are subject to market pressures, locking in a reasonable rate over a longer period of time will protect DOD from rate volatility. To that end, DOD guidance for the approval by the Secretary of Defense of the use of section 2922a requires the military service or defense agency to provide an economic/business case analysis summary to include the energy project cash flow display for each fiscal year included within the contract. The committee believes this analysis is critical to ensure that the projects enhance military capability, improve energy security, and mitigate costs.

The committee encourages DOD to continue to use PPAs and the flexible authorities contained in section 2922a to take full advantage of private sector financing for projects that offer economy and reliability of service over time and ensure rates equal to or lesser than projected energy rates over the life of the contract.

War reserve stocks

The committee believes that a primary element of military readiness is the sound management of adequate war reserves and that an efficient and effective war reserve supply chain is critical to support the warfighter in any theater of operations and to serve our military personnel stationed around the world. Accordingly, each military service establishes and maintains a continuing war reserve program that reflects the policies and guidance of the Secretary of Defense regarding enemy threats and capabilities, along with the Nation's current military strategy.

The committee is concerned that as military force structure and combat operations decline over the next few years, coupled with sequestration effects, the Defense Logistics Agency (DLA) will need to carefully balance the necessity of accurately planning for contingency requirements and maintaining sufficient war reserves to meet military requirements, along with the appropriate stewardship of taxpayer dollars to avoid excess procurement, storage, and transportation of war reserve stocks.

Accordingly, the committee expects the DLA and the Services to maximize fiscal year 2015 resources with the utmost priority placed on maximizing cost-effectiveness in the planning, procurement, and management of war reserve stocks. The committee also directs the DLA and the Services to revisit and reevaluate their policies regarding the management of war reserve stocks in order

to meet warfighter needs while avoiding unnecessary excess, and to provide a report or briefing with recommendations to the committee no later than March 1, 2015. This reevaluation should focus on those elements of war reserve stocks that the DLA and Services determine are most likely to yield cost savings and efficiencies.

Additionally, the Comptroller General is directed to review, report, and provide recommendations to the congressional defense committees no later than March 30, 2015, on the DLA's and the Services' efficiency and effectiveness of their war reserve supply chain, and whether those war reserve stocks accurately reflect revised end strength and force structure requirements and achieve cost efficiencies in the storage and transportation of such stocks.

Warrior power executive agent

The committee continues to be encouraged by the Department of Defense's (DOD) efforts to pursue increased combat capability, effectiveness, and efficiency to better support the warfighter. For example, the committee recognizes that significant progress has been made to date with respect to individual warrior power systems and programs which provide expeditionary power solutions designed for combat operations in the most austere environments by increasing mobility, range, and endurance.

Accordingly, the committee directs the Secretary of Defense to notify the congressional defense committees no later than March 1, 2015, of the direction to designate a DOD executive agent for warrior power to align and advance various ongoing efforts across the Department, who is assigned specific responsibilities, functions, and authorities to support designated activities that involve two or more of the military services.