

TITLE I—PROCUREMENT

Subtitle A—Authorization of Appropriations

Authorization of appropriations (sec. 101)

The committee recommends a provision that would authorize appropriations for procurement activities at the levels identified in section 4101 of division D of this Act.

Subtitle C—Navy Programs

Airborne electronic attack capabilities (sec. 121)

The committee recommends a provision that would direct the Secretary of the Navy to take whatever steps the Secretary deems appropriate and are available to the Navy to ensure that the Navy retains the option of buying more EA-18G aircraft if further analysis of whether to expand the airborne electronic attack (AEA) force structure indicates the Navy should include more EA-18G aircraft in carrier air wings. The provision would also authorize the Navy, subject to appropriation, to use \$75.0 million in funds authorized and appropriated in fiscal year 2014 for advance procurement funds of F/A-18 E/F aircraft for the purpose of retaining such an option. The committee also recommends an increase of \$25.0 million in section 4101 for these purposes.

The provision would direct the Secretary of the Navy to provide briefings to the congressional defense committees by September 1, 2014, on the options available to the Navy for ensuring that the Navy will not be precluded from buying more EA-18G aircraft if that is what the Navy analysis concludes should be done. The provision would also require the briefings to include an update on the Navy's progress in conducting its analysis of emerging requirements for airborne electronic attack.

The committee is aware of the Navy's recent efforts to assess emerging and future operational requirements for airborne electronic attack capability. Specifically, the Navy has conducted some preliminary analysis that indicates that there may be a requirement to have more than five EA-18G aircraft in each carrier air wing. Deploying aircraft carrier air wings with a five-plane EA-18G squadron was the basis for concluding that the EA-18G production should end in fiscal year 2014. If the Navy analysis indicates that EA-18G squadrons should be larger, the Navy may need to buy more aircraft.

This preliminary analysis done by the Navy was the basis of the decision by the Chief of Naval Operations (CNO) to include buying

22 more EA-18G aircraft at a cost of \$2.1 billion as the number one item on his unfunded priority list for fiscal year 2015. Separately, the CNO has stated that the need for electronic attack capability is critical, and also testified before the committee that the operational requirement for airborne electronic attack capacity is increasing, not receding.

The committee is concerned that the Navy may complete the analysis after the option of buying more EA-18G aircraft is closed. The committee directs the Secretary of the Navy to complete that ongoing analysis promptly and to report the study's findings to the congressional defense committees. The committee also urges the Navy to provide the necessary funds in the fiscal year 2016 budget and future years defense program to meet its requirements for airborne electronic attack requirement, based on that analysis.

In the meantime, the committee believes that the Navy should take action to delay the point at which a pending decision to close the EA-18G line may be made until the Navy makes a decision on the appropriate size of the AEA force structure.

Report on test evaluation master plan for Littoral Combat Ship seaframes and mission modules (sec. 122)

The committee recommends a provision that would require the Director of Operational Test and Evaluation to submit a report to the congressional defense committees on the test evaluation master plan for the seaframes and mission modules for the Littoral Combat Ship program.

The report will include a description of the Navy's progress with respect to the test evaluation master plan, and an assessment of whether or not completion of the test evaluation master plan will demonstrate operational effectiveness and operational suitability for both seaframes and each mission module.

Authority to transfer certain funds for refueling of aircraft carrier and construction of amphibious ship (sec. 123)

The committee recommends a provision that would authorize the Secretary of the Navy to transfer funds available in the Shipbuilding and Conversion, Navy (SCN), or other Navy procurement account for either or both of the following purposes:

- (1) Up to \$650.0 million to conduct a refueling and complex overhaul of the USS *George Washington* (CVN-73).
- (2) Up to \$650.0 million to build a *San Antonio*-class amphibious ship.

The provision would require that the Secretary make a determination that unobligated balances to be transferred are available due to slower than expected program execution, and the transfer of funds will fill a high priority military need and is in the best interest of the Department of the Navy.

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.

Finally, the provision would authorize the Secretary to use incremental funding for a *San Antonio*-class ship if additional funds are made available in fiscal year 2015 for that purpose and the Sec-

retary determines that such procurement will fill a high priority military need and is in the best interest of the Department of the Navy.

The committee expects that, if the Secretary chooses to transfer funds for the *San Antonio*-class program in fiscal year 2015, the Secretary will use funds from fiscal year 2015 and fiscal year 2016 to fully fund any new *San Antonio*-class ship put on contract during fiscal year 2015 or fiscal year 2016.

Subtitle D—Air Force Programs

Prohibition on retirement of MQ-1 Predator aircraft (sec. 131)

The committee recommends a provision that would prohibit the Air Force from retiring any MQ-1 Predator aircraft during fiscal year 2015.

Limitation on availability of funds for retirement of Air Force aircraft (sec. 132)

The committee recommends a provision that would require the Secretary of the Air Force to submit a report including an analysis and recommendations for not less than 80 percent of the Air Force missions and aircraft before retiring any Air Force aircraft. The Secretary of the Air Force and the Chief of Staff of the Air Force testified to the committee that the Air Force would complete an analysis of 80 percent of the Air Force missions and aircraft by the end of calendar year 2014. That ongoing analysis is assessing the appropriate contributions of the regular Air Force, the Air National Guard, and the Air Force Reserve to the total force structure of the Air Force. The National Commission on the Structure of the Air Force found that the Air Force could save as much as \$2.0 billion per year by realigning its forces between the active and reserve components. The committee wants to ensure that any planned retirements are reassessed in view of any savings that may be achievable as a result of that analysis.

Temporary limitation on availability of funds for transfer of Air Force C130H and C-130J aircraft (sec. 133)

The committee recommends a provision that would require the Secretary of the Air Force to submit a report before implementing any transfers of C-130H or C-130J aircraft. That report would include: (1) A recommended basing alignment of the C-130H2, C-130H3, and C-130J aircraft; (2) An identification of how that plan deviates from the basing plan approved by the National Defense Authorization Act for Fiscal Year 2013 (Public Law 112-239); (3) An explanation of what that plan deviates, if in any detail, from the plan approved by that Act; (4) An assessment of the national security benefits and any other expected benefits of the proposed transfers, including benefits for the facility or facilities expected to receive the transferred aircraft; (5) An assessment of the costs of the proposed transfers, including the impact of the proposed transfers on the facility or facilities from which the aircraft will be transferred; (6) An analysis of the recommended basing alignment that demonstrates that the recommendation is the most effective

and efficient alternative for such basing alignment; and (7) For units equipped with special capabilities, such as the modular airborne firefighting system capability, an analysis of the impact of the proposed transfers on the ability to satisfy missions that utilize those capabilities.

The provision would also require that the Comptroller General conduct a review of the sufficiency of the Air Force report within 45 days after the Air Force submits the report. It is the committee's intent for Congress to have sufficient time to review the Air Force report and the findings of the Comptroller General's review before the Air Force acts.

The committee expects the Air Force to act in the spirit of this provision for the rest of fiscal year 2014 until enactment of the National Defense Authorization Act for Fiscal Year 2015.

Limitation on availability of funds for retirement of A-10 aircraft (sec. 134)

The committee recommends a provision that would prevent using any funds during fiscal year 2015 to retire, prepare to retire, or place in storage any A-10 aircraft.

The committee expects the Air Force to execute the fiscal year program in accordance with the spirit of this provision. Specifically, the Secretary of the Air Force should ensure that the Air Force does not close or consolidate A-10 units, make changes to standard sustainment processes; or reduce A-10 pilot training or A-10 flying disproportionately to reductions applied to pilots or flying hours for other Air Force aircraft.

The committee believes that the Air Force is making this decision purely on a basis of the fiscal environment and not on grounds of effectiveness of the forces. The National Commission on the Structure of the Air Force indicated that shifting to a greater reliance on the Air Reserve components could save roughly \$2.0 billion per year that could be reinvested to maintain greater capabilities. The committee does not want the Air Force to execute any decision to retire the entire A-10 fleet until the Air Force has an opportunity to chart a specific course for implementing the Commission's recommendations.

The committee also recommends an increase of \$256.5 million for Operation and Maintenance, Air Force, and \$82.8 million for Air Force military personnel accounts.

Limitation on transfer of KC-135 tankers (sec. 135)

The committee recommends a provision that would delay the Air Force's plan to transfer KC-135 aircraft from Joint Base Pearl Harbor-Hickam, pending a report on the costs and benefits of that transfer.

It has come to the attention of the committee that the Air Force intends to move four KC-135 tanker aircraft from a forward-based position at Joint Base Pearl Harbor-Hickam to base in the continental United States (CONUS).

With the administration's stated goal of rebalancing to the Asia-Pacific region and the continued need for tanker support throughout the region, the Air Force's planned transfer may not make economic sense.

With the Department of Defense's emphasis on energy and costs efficiencies, the Air Force should consider the resources required to move CONUS-based KC-135s to the Asia-Pacific region for exercises and requirements versus the cost of maintaining the assets in theater.

Limitation on availability of funds for retirement of Airborne Warning and Control System (AWACS) aircraft (sec. 136)

The committee recommends a provision that would prohibit the Air Force from retiring or preparing to retire any Airborne Warning and Control Aircraft (AWACS) aircraft or making any significant changes in manning levels in AWACS units in 2015.

The committee is concerned about the Air Force's plans to retire aircraft from some of its high-demand, low-density (HD/LD) weapon systems. Aircraft such as the E-3 AWACS, the E-8C Joint Surveillance Targeting and Reconnaissance System (JSTARS), and the EC-130 Compass Call have been under constant, heavy demand, supporting overseas contingency operations as well as homeland defense missions for the past two decades. The committee believes these systems will continue to play a critical role in our national defense until the Department of Defense is able to field capabilities to replace these HD/LD systems.

The committee understands that the proposed cuts are a result of the budget caps enacted by Congress. However, the planned retirement of seven E-3 AWACS in fiscal year 2015 from a total fleet of 31 aircraft without a planned replacement is risky and should be reconsidered. Accordingly, the committee recommends provision that would delay this action for 1 year to give the Air Force time to fully consider the recommendations of the National Commission on the Structure of the Air Force and determine whether additional savings made available by shifting force structure from the active component to the reserve component could free up additional resources to make the premature retirement of these critical aircraft unnecessary.

The committee also recommends an increase of \$34.6 million for Operation and Maintenance, Air Force, and \$24.9 million for Air Force military personnel accounts.

Report on status of air-launched cruise missile capabilities (sec. 137)

The committee recommends a provision that requires a report on the existing air-launched cruise missile system (AGM-86) and the plan for the replacement of the system referred to as the long-range standoff missile.

Report on C-130 aircraft (sec. 138)

The committee recommends a provision that would require the Air Force to submit a complete fielding plan for the C-130 aircraft, and specific details of the Air Force's plan to maintain intra-theater capacity within both the active and the reserve components, including its modernization and recapitalization plan for all C-130H and C-130J aircraft.

One of the recommendations in the report of the National Commission on the Structure of the Air Force was recommendation number 11: “As the Air Force acquires new equipment, force integration plans should adhere to the principle of proportional and concurrent fielding across the components.”

The committee wants to ensure that there will be concurrent and proportional fielding of new aircraft and new capabilities across the components. Elsewhere in another provision in this Act, the committee recommends a provision that would require the Air Force to report on its implementation plans for recommendations of the Commission. The committee will review closely how the Air Force plans to implement recommendation number 11.

Report on status of F-16 aircraft (sec. 139)

The committee recommends a provision that would require the Secretary of the Air Force to report to the congressional defense committees on the status of the F-16 fleet, including the status, location, and planned actions across the future years defense program for all F-16s in the Air Force inventory. This report shall be delivered not later than 180 days after enactment of this Act.

Report on options to modernize or replace the T-1A aircraft (sec. 140)

The committee is concerned about the Air Force’s aging fleet of training aircraft used in its specialized undergraduate pilot training. The committee supports the Air Force’s plan to develop a T-X aircraft to replace its 45-year-old T-38C trainer. However, there is currently no plans or budget to replace the T-1A, used to train all future tanker and transport pilots.

While the T-1A came into service after the T-38C, it has not received similar upgrades and service life extensions. The T-1A now requires an avionics upgrade for the aircraft to be certified to fly in the National Airspace past 2020. The committee understands that the Commander of the Air Education and Training Command has questioned the Air Force’s ability to afford both the T-X program and an upgrade to the T-1A at the same time.

The committee is aware of an ongoing study by the Air Force to determine whether the Air Force will return to generalized training, with all pilots training in both T-6s and T-38s (or the replacement T-X), in lieu of maintaining a separate training syllabus for tanker and transport pilots. However, the committee believes it prudent for the Air Force to conduct a near-term evaluation of options to replace or modernize the T-1A capability. Therefore, the committee directs the Secretary of the Air Force to submit to the congressional defense committees a report on the options for replacing or upgrading the T-1A aircraft’s capability, to include options of leased aircraft or services, not later than 90 days after the date of the enactment of this Act.

Budget Items**Army****Light Utility Helicopter**

The budget request included \$416.6 million in Aircraft Procurement, Army (APA) for the UH-72A Light Utility Helicopter (LUH). The committee recommends an increase of \$196.0 million in APA for procurement of additional LUH. The committee notes that during analysis and development of options for program and force structure savings required under the Budget Control Act, the Army would divest its aviation force of all single engine helicopters, including its older TH-67 Creek training aircraft at the aviation school at Fort Rucker, Alabama. To replace the TH-67, the Army selected the LUH aircraft that has been procured over the last 6 years and is now widely used by the Army and the Army National Guard (ARNG).

To quickly divest itself of the TH-67 and provide its training base with sufficient numbers of LUH, the Army initially considered transferring 100 LUH aircraft from the ARNG to the aviation school. The committee understands that the Chief of the National Guard Bureau expressed concerns about the loss of LUH in the ARNG and the resulting reduction in capability to provide domestic helicopter support to civil authorities. The Secretary of Defense responded by directing that the ARNG keep its aircraft and authorizing the Army instead to procure 100 new LUH.

The Consolidated Appropriations Act, 2014 (Public Law 113-76), included an additional \$75.0 million in APA for the procurement of 10 more LUH aircraft for a total of 20 in that year. The fiscal year 2015 budget request would procure another 55 of the 100 LUH authorized by the Secretary of Defense. The committee's recommendation would allow the Army to complete procurement of the needed additional aircraft and reduce future operational and fiscal risk to replace older legacy training aircraft with new build LUH. By funding the procurement of 35 more LUH in fiscal year 2015, the Army would replace all of its legacy training aircraft and reduce the risk of having to take any from the ARNG should procurement funds not be available in fiscal year 2016 or beyond due to full sequestration.

UH-60 Black Hawk M model

The budget request included \$1.2 billion in Aircraft Procurement, Army (APA) for the UH-60M Black Hawk helicopter. The committee recommends an increase of \$145.0 million in APA for procurement of additional UH-60M Black Hawks only for the Army National Guard. Additional funding was included in the Chief of Staff of the Army's unfunded priorities list.

Common Missile Warning System

The budget request included \$107.4 million in Aircraft Procurement, Army (APA) for the Common Missile Warning System (CMWS). At the Army's request, the committee recommends a decrease of \$47.2 million for CMWS. Also at the Army's request, the committee recommends an increase in APA of \$7.8 million for ad-

vanced threat infrared countermeasures in aircraft survivability equipment and \$32.4 million for radio frequency countermeasure in survivability countermeasures.

Bradley program modifications

The budget request included \$107.5 million in Procurement of Weapons and Tracked Combat Vehicles, Army (WTCV), for M2 Bradley modifications. The committee recommends an increase of \$37.0 million in WTCV for M2 Bradley modifications. Additional funding was included in the Chief of Staff of the Army's unfunded priorities list. The committee directs the Army to use the additional funds to reduce risk in the armored vehicle industrial base.

Improved recovery vehicle

The budget request included \$50.5 million in Procurement of Weapons and Tracked Combat Vehicles, Army (WTCV), for the improved recovery vehicle (M88A2 Hercules). The committee recommends an increase of \$75.9 million in WTCV for M88A2 Hercules. Additional funding was included in the Chief of Staff of the Army's unfunded priorities list.

Joint assault bridge

The budget request included \$49.5 million in Procurement of Weapons and Tracked Combat Vehicles, Army (WTCV), for the joint assault bridge. Funds requested are early to need; therefore, the committee recommends a decrease of \$41.2 million in WTCV for joint assault bridge.

M1 Abrams tank modifications

The budget request included \$237.0 million in Procurement of Weapons and Tracked Combat Vehicles, Army (WTCV), for M1 Abrams tank modifications. The committee recommends an increase of \$24.0 million in WTCV for M1 Abrams tank modifications. Additional funding was included in the Chief of Staff of the Army's unfunded priorities list. The committee directs the Army to use the additional funds to reduce risk in the armored vehicle industrial base.

Carbine

The budget request included \$29.4 million in Procurement of Weapons and Tracked Combat Vehicles, Army (WTCV), for the M4A1 carbine, \$4.6 million for M240 medium machine gun modifications, and \$2.0 million for M16 rifle modifications. At the Army's request, the committee recommends decreases of \$8.8 million for M4A1 carbine, \$2.0 million for M240 medium machine gun modifications, and \$2.0 million for M16 rifle modifications.

Also at the Army's request, the committee recommends increases in WTCV of \$3.0 million for M4 carbine modifications, and in Research, Development, Test, and Evaluation, Army, in PE 63872A of \$3.0 million for soldier systems advanced development and in PE 64601A of \$6.7 million for infantry support weapons small arms improvement.

Modular handgun reduction

The budget request included \$1.0 billion in Procurement of Ammunition, Army (PAA), of which \$9.6 million was for handgun ammunition, all types, of which \$3.1 million was for modular handgun ammunition.

The committee is concerned that the request for modular handgun ammunition is ahead of need and is not approved for service use.

Accordingly, the committee recommends a decrease of \$1.5 million in PAA, handgun ammunition, all types, for modular handgun ammunition.

40mm reduction

The budget request included \$1.0 billion in Procurement of Ammunition, Army (PAA), of which \$40.9 million was for 40mm ammunition, of which \$1.9 million was for 40mm day/night/thermal ammunition.

The committee is concerned that the request for 40mm day/night/thermal is ahead of need and is not approved for service use.

Accordingly, the committee recommends a decrease of \$1.9 million in PAA, 40mm, for 40mm day/night/thermal ammunition.

Precision Guidance Kit reduction

The budget request included \$1.0 billion in Procurement of Ammunition, Army (PAA), of which \$94.0 million was for artillery propellants, fuses and primers, of which \$61.2 million was for artillery fuse, precision guidance kit (PGK).

The committee notes that PGK failed its first article test and experienced a schedule delay.

Accordingly, the committee recommends a decrease of \$15.0 million in PAA, artillery propellants, fuses, and primers for PGK.

Warfighter Information Network—Tactical, increment 2

The budget request included \$763.1 million in Other Procurement, Army (OPA) for the Warfighter Information Network—Tactical (WIN-T), increment 2. The committee recommends a decrease of \$125.0 million in OPA for WIN-T, increment 2, due to development delays in the Point of Presence and Soldier Network Extension components of the program.

Joint tactical radio system

The budget request included \$175.7 million in Other Procurement, Army (OPA) for the joint tactical radio system (JTRS). The committee recommends a decrease of \$88.0 million in OPA for JTRS due to slow execution of available prior year funds.

Mid-tier Networking Vehicular Radio

The budget request included \$9.7 million in Other Procurement, Army (OPA) for the Mid-tier Networking Vehicular Radio (MNVR). The committee recommends a decrease of \$8.0 million in OPA for MNVR due to program delays and slow execution of available prior year funds.

Family of weapon sights

The budget request included \$49.2 million in Other Procurement, Army (OPA) for the family of weapon sights. Funds requested are early to need; therefore, the committee recommends a decrease of \$12.0 million in OPA for family of weapon sights.

Joint Battle Command—Platform

The budget request included \$97.9 million in Other Procurement, Army (OPA) for the Joint Battle Command Platform (JBC-P). The committee recommends a decrease of \$10.0 million in OPA for JBC-P due to program delays and slow execution of available prior year funds.

Counterfire radars

The budget request included \$209.1 million in Other Procurement, Army (OPA) for counterfire radars. The committee recommends a decrease of \$80.4 million in OPA for counterfire radars due to the availability of prior year funds and excessive concurrency through low rate initial production (LRIP).

The committee notes that the Army has been buying and fielding the AN/TPQ-53 counterfire radar using LRIP to meet operational needs even though the system's design, configuration, and performance have matured over time. This has resulted in a retrofit requirement for systems already fielded that will cost \$85.0 million. The committee believes that there is no operational urgency to continue to produce and field systems that provide some but not all needed capabilities, and that the Army can manage production rates with funds available from prior years without creating additional requirements and costs for retrofit.

The committee is concerned the Army continues to acquire counterfire radars through LRIP acquiring over 50 percent of its Army Acquisition Objective while the full rate production decision has slipped almost a year as compared to the fiscal year 2014 schedule. The committee also notes the Army's counterfire radar sustainment concept is interim contractor support.

The Secretary of the Army is directed to submit a report that outlines the sustainment concept for counterfire radars including the results of the core depot assessment and type I/II business case analyses to determine the best mix of organic depot and contractor logistics support. The report shall address the Army's plan to compete contract logistics support activities. The report is due to the congressional defense committees not later than April 30, 2015.

Army information technology

The budget request included \$155.2 million in Other Procurement, Army Line 106 for automated data processing equipment. The committee recommends a reduction of \$15.0 million to this program. The committee recommends that the Army, the Defense Information Systems Agency, and the Office of the Secretary of Defense's Chief Information Officer should coordinate efforts to ensure that Army information technology procurement are not redundant with capabilities available under joint, other Service, or other agency programs. Further, these procurements should be made in a fashion so as to permit the Army to re-compete contracts for indi-

vidual elements of the enterprise as necessary, in order to maximize cost savings due to competition and to enable the Army to have a flexible enterprise services modernization strategy.

Modification of in-service equipment

The budget request included \$98.6 million in Other Procurement, Army (OPA) for the modification of in-service equipment. Funds requested for the modification of the Army's watercraft are early to need; therefore, the committee recommends a decrease of \$18.0 million in OPA for the modification of in-service equipment.

Joint Improvised Explosive Defeat Fund

Joint Improvised Explosive Device Defeat Fund

The budget request includes \$115.1 million for the Joint Improvised Explosive Device (IED) Defeat fund for the Joint IED Defeat Organization's (JIEDDO) staff and infrastructure expenses.

As it has in each fiscal year since JIEDDO's inception, the committee declines to recommend any funding for JIEDDO in the base budget and therefore recommends a reduction of \$115.1 million in the Joint IED Defeat fund. The committee understands that the Department of Defense (DOD) intends to request funding for the Joint IED Defeat fund in the overseas contingency operations budget request later this year.

The committee recognizes the important work JIEDDO has done but notes that JIEDDO was created as a temporary wartime organization. The committee believes that the operational tempo in U.S. Central Command provides an opportunity to conduct a review, captured in another title of this Act, that should lead to consolidation and, where appropriate, elimination of organizations, such as JIEDDO, that provide response to emergent warfighter needs.

Navy

EP-3E Airborne Reconnaissance Integrated Electronic System

The budget request included \$32.9 million in Aircraft Procurement, Navy (APN), line 39, for the EP-3E Airborne Reconnaissance Integrated Electronic System (ARIES). The Navy has been pursuing spiral upgrades for the fleet of EP-3 aircraft for a number of years. The budget request did not include funds to install Spiral 3 upgrade kits on the 11th and 12th EP-3E aircraft, or for the installation of electronic intelligence sensor upgrade kits on the last eight EP-3E aircraft. The committee recommends an increase of \$20.0 million to install these upgrade kits.

The committee appreciates the progress that the Navy has made in answering the concerns of the committee and the Joint Staff regarding the Navy's plans for shifting EP-3E and Special Projects Aircraft (SPA) capabilities to the multi-intelligence variant of the TRITON unmanned aerial vehicle and a quick reaction capability (QRC) upgrade of the P-8A maritime patrol aircraft.

However, the committee has a number of concerns about the Navy's plan. The Navy's transition plan would still involve eliminating personnel from the existing systems well before replacement

systems are available to maintain that capability. This situation could create significant gaps in the ability to meet the needs of the combatant commands. Secondly, there is a real possibility that the Navy would be tempted to make even greater reductions in current capability if they need to pay for potential schedule delays in the development of the new signals intelligence (SIGINT) payload for TRITON while continuing to add orbits of the current version of TRITON that has only modest SIGINT capability. Finally, the committee notes that there is a mismatch between the operational concept for the P-8A QRC, which would depend on remote operations and wide-band communications, and the plan that would install wide-band communications capability on the P-8A aircraft much later than the fielding of the P-8A QRC capability.

Aircraft spares and repair parts

The budget request included \$1.2 billion in Aircraft Procurement, Navy for buying spares and repair parts for all Navy and Marine Corps aircraft. This total included a request for \$956.0 million in replenishment spares, an increase of \$341.2 million from the fiscal year 2014 amount for replenishment spares. The committee has strongly supported efforts to improve readiness in Navy aviation programs. The committee, however, also believes that the Navy will be able to increase readiness and manage the Department's replenishment spares portfolio with a smaller resource increase in fiscal year 2015. Therefore, the committee recommends a reduction of \$35.0 million to the budget request.

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 \$11.0 million to procure one additional Strategic Programs Alteration Kit to conduct an additional Follow-on Commander's Evaluation Test.

Tomahawk

The budget request included \$194.3 million to procure 100 Tomahawk missiles. The future years defense program envisions shutting down the Tomahawk production line after the fiscal year 2015 procurement.

The Navy has been expending Tomahawk missiles on a fairly regular basis of more than 100 missiles per year. The committee believes that it would be imprudent to ramp down and close Tomahawk missile production at this time.

Therefore, the committee recommends an additional \$82.0 million to keep Tomahawk production at the minimum sustaining rate of 196 missiles per year.

The committee is concerned about the Navy's abrupt decision to truncate production. The Tomahawk is combat-proven missile, having been used well over 2,000 times in the last two decades, and has a proven operational track record and capability. The Navy provided some limited information to support its proposal. However, the analysis supporting projected inventories and usage rates to be expected during the remainder of this decade was incomplete.

Prior to making any decision to terminate new production and transition to a mid-life upgrade, the Navy must ensure the implications on production and recertification are fully examined and understood.

The committee directs the Navy to provide, prior to submission of the fiscal year 2016 President's budget, its complete analysis of alternatives, including an assessment of near-term and long-term threat analysis, impact on the industrial base and the needed timing of a mid-life certification/upgrade of the current Tomahawk inventory. This analysis must clearly show annual projected inventory usage, starting and ending inventory levels by fiscal year and what is budgeted for Tomahawk, as well as for all related development and production programs, with specific appropriation and line item/program element detail. The Navy should provide this information in an unclassified report with an accompanying classified annex.

Navy enterprise information technology

The budget request included \$87.2 million in Other Procurement, Navy Line 161 for enterprise information technology (IT). The committee notes that much of this funding is supporting procurements related to the legacy Navy IT systems located around the world. The committee is concerned about the continued investment of funds into legacy IT infrastructure, and believes that the Navy should seek to leverage services, networks, and hardware available through the Defense Information Systems Agency, the Next Generation Enterprise Network, and other assets to the maximum extent possible. The committee recommends a reduction of \$15.0 million to this program.

Power equipment assorted

The budget request included \$8.9 million in Procurement, Marine Corps (PMC) for assorted power equipment. The committee recommends an increase of \$2.9 million in PMC for advanced power equipment. Additional funding was included in the Commandant of the Marine Corps' unfunded priorities list.

Air Force

RQ-4

The budget request included \$54.5 million in Aircraft Procurement, Air Force for the RQ-4 Global Hawk program. These funds are not to buy new air vehicles, but are intended for miscellaneous procurement, to include equipment to support depot activation, initial spares, support to complete delivery of Global Hawk vehicles on contract, sensor operator trainer, and procurement to replace equipment supported by disappearing manufacturing sources.

The committee believes that the sensor operator trainer is being requested ahead of need, and recommends a reduction of \$10.0 million to the budget request.

MQ-9

The budget request included \$240.2 million in Aircraft Procurement, Air Force (APAF) to buy an additional 12 MQ-9 air vehicles.

The committee understands that the MQ-9 program has \$37.8 million in fiscal year 2013 APAF funds that are excess to program needs. These funds will remain available for obligation throughout fiscal year 2015, and can be used to offset other fiscal year 2015 requirements.

Therefore, the committee recommends reduction of \$37.8 million to the MQ-9 budget request.

C-5 Reliability Enhancement and Re-engining Program

The budget request included \$331.5 million in Aircraft Procurement, Air Force for the C-5M program, also known as the C-5 Reliability Enhancement and Re-engining Program (RERP). Of that total, the request included \$254.2 million for installing RERP kits purchased in prior years.

The committee understands that there have been delays in the RERP kit installation program and recommends a reduction of \$50.0 million in the C-5M program.

U-2

The fiscal year 2015 budget request for the U-2 program did not include any procurement funding for supporting the U-2 program but did include \$5.5 million in PE 35202F for developing various safety of flight and vanishing vendor modifications.

The budget request for the Global Hawk program included \$86.8 million in procurement and \$244.5 million in PE 35220F for developing various capabilities for the Global Hawk, including a total of \$208.8 million for various Block 30 development efforts. Included in the Block 30 development efforts was \$136.0 million specifically for enhancements for Global Hawk Block 30 aircraft to provide the Block 30 aircraft with some level of capability that would be lost by retirement of the U-2 aircraft. The Air Force plans to spend \$1.9 billion during the future years defense program (FYDP) for these enhancements to Block 30.

The committee is skeptical of the Air Force's plans to retire the U-2 in the near term and perhaps replace some of the U-2's current capability after the end of the FYDP. First, this plan would reduce capability and leave a deficit in meeting combatant commanders' requirements now. Second, there is no real guarantee that spending \$1.9 billion in the FYDP will allow the Air Force to replace the capability of the U-2 fleet with capability from Global Hawk Block 30 fleet. Finally, the FYDP that includes this funding is \$115.0 billion more than the Budget Control Act of 2011 (BCA) totals would allow for the Department of Defense (DOD) during that period. If Congress does not enact changes to amend the BCA, enhancement programs like the Block 30 upgrades would be at great risk.

Therefore, the committee recommends an increase of \$64.3 million for various modifications and \$5.8 million in research and development activities for the U-2 fleet as planned last year. The committee also recommends a reduction of \$136.0 million in Global Hawk research and development activities targeted at replacing U-2 capability.

The committee reminds DOD that the restrictions on retiring the U-2 aircraft in section 133 of the John Warner National Defense

Authorization Act for Fiscal Year 2007 (Public Law 109–364), as amended, remain in effect.

C–130 aircraft modifications

The fiscal year 2015 budget request did not request funding for the C–130 avionics modernization program (AMP), but included \$7.4 million for communication, navigation, surveillance/air traffic management (CNS/ATM) upgrades and \$7.2 million for upgrading cockpit voice and digital data recorders (CVR/DVR) for legacy C–130 aircraft in Aircraft Procurement, Air Force (APAF). The program of record for modernizing the legacy C–130 aircraft until the fiscal year 2013 budget request was the C–130 AMP. When the Air Force announced a decision to cancel AMP, the program was already in low rate initial production and had delivered five aircraft, four additional kits, and training devices.

Section 143 of the National Defense Authorization Act for Fiscal Year 2013 (Public Law 112–239) prevented the Secretary of the Air Force from canceling or modifying the AMP effort for C–130 aircraft until 90 days after submission of a cost-benefit analysis comparing the original C–130 AMP with a program that would upgrade and modernize the legacy C–130 airlift fleet using a reduced scope program for avionics and mission planning systems. The Air Force submitted that report, but there were questions about the assumptions and conclusions of the report. For example, the original Air Force study also assumed life cycle costs covering only 25 years.

Section 133 of the National Defense Authorization Act for Fiscal Year 2014 (Public Law 113–66) prevented the Air Force from cancelling the AMP effort in fiscal year 2014 and directed the Comptroller General of the United States to submit to the congressional defense committees a sufficiency review of the cost benefit analysis in the Air Force study. The committee received the Comptroller General’s report which pointed out that changes of fundamental assumptions in the report could change the outcome of the analysis, including the assumed length of time used for calculating life cycle costs savings.

The Air Force will be operating approximately 150 C–130H aircraft for the foreseeable future, probably longer than the 25 years assumed in the Air Force study. The committee strongly supports modernization of this legacy C–130 fleet, and recommends an increase of \$25.0 for procurement and installation of C–130 AMP kits. In addition, the committee directs the Air Force to obligate the fiscal year 2014 funds authorized and appropriated for this program to conduct such activities as are necessary to complete testing and transition the program to production and installation of modernization kits.

C–130 engines

The fiscal year 2015 budget request did not request funding for making upgrades to C–130 engines.

The Air Force has flight tested a contractor-developed upgrade to the current engine and determined that this upgrade would result in fuel savings of 7.9 percent compared to operating current engines. The Air Mobility Command (AMC) performed a business

case analysis of a potential upgrade program for the C-130H fleet. AMC found that an investment of \$657.0 million would result in reduced maintenance and fuel expenditures that would save \$2.0 billion over the lives of those aircraft.

The committee recommends an increase of \$22.6 million to procure and install engine upgrade kits for the C-130H fleet.

Lynx synthetic aperture radar

The budget request includes \$30.0 million in PE 25219F, line 66, in Aircraft Procurement, Air Force (APAF) for procurement of upgrades to the Lynx synthetic aperture radar (SAR) carried on the REAPER unmanned aerial system. The National Defense Authorization Act for Fiscal Year 2014 (P.L. 113-66) eliminated funding for Lynx SAR retrofits on the grounds that the rare use of this radar does not justify substantial new investment. The committee is not aware of any change in the utilization of the Lynx SAR in the field, and therefore recommends a reduction of \$30.0 million.

Small diameter bomb

The budget request included \$70.6 million in Missile Procurement, Air Force (MPAF) to buy 246 units of the Small Diameter Bomb Increment II (SDB II).

The committee understands that there have been delays in the Milestone C decision, and a resulting delay in awarding the contract for fiscal year 2014 production. As it stands now, the Air Force is likely to award the contract for the fiscal year 2014 production sometime during fiscal year 2015, and expects that the contract will include provisions for awarding options to the contract that would include for awarding the next option on the contract during fiscal year 2016. This means that the Air Force will not need additional production funds in fiscal year 2015.

Therefore, the committee recommends a reduction of \$52.5 million in this program.

General purpose bombs

The budget request included \$177.2 million in Procurement of Ammunition, Air Force (PAAF) for general purpose bombs. The committee recommends an increase of \$8.8 million in PAAF for general purpose bombs. The need for additional funding was identified in the Commander of the United States Pacific Command's unfunded priorities list.

Base information transportation infrastructure transfer

The budget request included \$81.3 million in Other Procurement, Air Force for information transport systems, and \$122.2 million in Other Procurement, Air Force for Air Force Network (AFNET). To correct an error in the budget materials, and at the request of the Air Force, the committee recommends a transfer of \$31.3 million from the AFNET account to the information transport systems account for the purposes of supporting base information transportation infrastructure.

Procurement of additional ICBM training equipment

The fiscal year 2015 budget request contained no funds for the procurement of additional intercontinental ballistic missile (ICBM) trainers at the 381st Training Group (TRG). This lack of training equipment limits the availability of qualified ICBM officers, which are in high demand. The committee recommends \$23.6 million to Other Procurement Air Force, Line 60, Base Procured Equipment for expansion of the 381st TRG Missile Procedures Training Capability for Combat Mission Readiness and to procure Computer Based Training/Rapid Execution and Combat Targeting stand-alone trainers.

Defense-wide**MC-12 aircraft**

The budget request includes \$40.5 million in Procurement, Defense-wide (PDW), for the modification of 24 MC-12 aircraft being transferred from the Air Force to U.S. Special Operations Command (SOCOM) to support the manned intelligence, surveillance, and reconnaissance (ISR) requirements of U.S. Special Operations Forces. Elsewhere in this bill, the committee recommends a provision that would prohibit the transfer of these MC-12 aircraft from the Air Force to SOCOM 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 an analysis and justification for such actions.

Therefore, the committee recommends no funding in PDW for modification of MC-12 aircraft. As noted elsewhere in this report, the recommended reduction does not apply to procurement in support of SOCOM aviation foreign internal defense missions, which are funded in a different budget line. Chemical, biol.

MQ-9 Unmanned Aerial Vehicle

The budget request included \$15.6 million in Procurement, Defense-wide (PDW), for the acquisition and support of special operations-unique mission kits for the MQ-9 Unmanned Aerial Vehicle (UAV). U.S. Special Operations Command (SOCOM) is responsible for the rapid development and acquisition of special operations capabilities to, among other things, effectively carry out operations against terrorist networks while avoiding collateral damage.

The committee understands that the budget request only partially addresses technology gaps identified by SOCOM on its fleet of MQ-9 UAVs. Therefore, the committee recommends an additional \$5.7 million in PDW for the MQ-9 UAV.

The committee strongly supports SOCOM's efforts to accelerate fielding of advanced weapons, sensors, and emerging technologies on its fleet of MQ-9 UAVs through the MQ-9 Medium Altitude Long Endurance Tactical program of record utilizing the Lead-Off Hitter rapid acquisition process. The committee understands this process has successfully fielded MQ-9 UAV capabilities at greatly reduced timelines when compared to traditional acquisition processes and such capabilities have significantly improved the accuracy and lethality of MQ-9 UAVs in "find, fix, and finish" operations. The committee encourages SOCOM to continue to look for

other opportunities to accelerate combat capability development through the Lead-Off Hitter approach.

Items of Special Interest

Air Force KC-46A Pegasus procurement

The committee notes that the KC-46A Pegasus remains one of the Department of Defense's most successful and important acquisition programs. The Chief of Staff of the Air Force described aerial refueling tankers as the lifeblood of the Joint Force's ability to respond to crises and contingencies around the world. The KC-46A will replace the Air Force's 1960s era KC-135s and will significantly enhance our current capability. The Chief of Staff of the Air Force has consistently stated that the KC-46 is the Air Force's highest acquisition priority, and essential to the future of the Joint Force.

The committee also notes that the development of the KC-46As continues to meet its technical performance goals on time and under budget. In April 2014, the Government Accountability Office (GAO) reported that the KC-46's development cost has changed less than 1 percent since 2011, despite funding reductions in fiscal year 2013 associated with the Budget Control Act. Moreover, the aircraft's fixed price incentive contract shifts liability for any future cost growth to the contractor. This structure not only incentivizes the contractor to cut costs in order to generate additional profits, it also ensures maximum value for the government and the taxpayer. To date, the Air Force reports it has saved \$900.0 million in the KC-46 Aircrew Training System and other program risk adjustments compared to previous estimates.

The committee notes that disrupting this well-performing program would negatively affect the ongoing development of the KC-46s and our national security. The Air Force estimates that reducing procurement from seven aircraft to six in fiscal year 2015 would yield near-term savings of \$139.6 million. However, the Air Force projects that this reduction in quantity would adversely affect contractual cost factors over the life of the program, ultimately increasing the cost to the taxpayer by more than \$640.0 million. A reduction would also impose severe risk on the contractor's ability to meet its contractual requirement to deliver 18 aircraft by August 2017. Also, the government could risk losing the very favorable production pricing under the KC-46 contract by not living up to the government's responsibilities under the contract to provide resources matched to contractor progress. In order to ensure the KC-46 program continues to meet its cost, schedule, and performance objectives, and ultimately meet our national defense requirements, the committee recommends fully funding the President's request for procurement of seven KC-46 aircraft in fiscal year 2015, and keeping the program on a stable funding path.

Armored vehicle transmission industrial base

Over the last several years the committee has expressed its concern for the management of strategic risk in the armored vehicle industrial base. Strategic risk is that associated with the permanent or temporary loss of either public depot or private commercial

industrial capability or capacity to repair and upgrade the Nation's current fleets or develop and produce the next generation of armored vehicles.

The committee notes that this risk is apparent in the portion of the armored vehicle industrial base that designs, develops, and produces transmissions. The committee is aware of actions on the part of the Army to manage this risk through the procurement of some armored vehicle transmissions in excess of its usual repair parts supply and production requirements. Buying extra transmissions, however, may not be a sustainable risk management approach because of declining and uncertain budgets.

Accordingly, the committee directs the Secretary of the Army, or designee, in coordination with the Deputy Assistant Secretary of Defense for Manufacturing and Industrial Base Policy, to conduct a business case analysis of the costs, benefits, risks, feasibility, and advisability of strategies to manage risk in the armored vehicle transmission industrial base including, but not limited to, increased competition, consolidation, or other industrial approaches across public depot, private commercial, and public-private partnership entities and facilities.

The results of this analysis shall be briefed to the congressional defense committees by the Secretary, or designee, not later April 30, 2015.

Chemical, Biological, Radiological, and Nuclear Defense

The budget request included \$17.5 million in Other Procurement, Army for chemical, biological, radiological and nuclear (CBRN) defense but included no funding for personal dosimeter systems.

The committee understands the Army has 10,000 personal dosimeters in its inventory consisting of 2,000 dosimeters purchased in 2013 and 8,000 dosimeters based on 1960s technology and are no longer in production. Additionally, these 8,000 systems are unable to be repaired due to a lack of spare parts. The committee is concerned that the Army may not have kept pace with the proliferation of weapons of mass destruction including nuclear weapons and material to state and non-state actors.

The committee directs the Secretary of the Army to submit a report or briefing no later than March 15, 2015, on the requirements and, if necessary, the plan to upgrade and/or acquire personal dosimeter systems.

Combatant command intelligence, surveillance, and reconnaissance requirements

Demand for intelligence, surveillance and reconnaissance (ISR) remains the number one shortfall identified by combatant commanders. The Department of Defense (DOD) is pursuing a number of initiatives to respond to these demands.

One of these approaches is applying open systems architectures principles to current and new software systems. As discussed elsewhere in this report, DOD is pursuing a number of programs to provide new ISR capabilities through an open systems architecture approach. This should provide DOD more flexibility to adapt new payloads or capabilities to varying environments and operational needs.

DOD is also modernizing and expanding ISR capabilities for systems with longer ranges and endurance. Combatant commanders frequently ask for systems with additional range and loiter times to simplify their scheduling and administrative efforts in providing on-station capability.

The committee believes that it is important that DOD remain focused on its efforts to help simplify and reduce the costs of meeting combatant commanders' ISR requirements.

Commercial aircraft used by the U.S. Army Corps of Engineers

The U.S Army Corps of Engineers (USACE) uses commercial aircraft performing survey and mapping services. In the case of some of these aircraft, the USACE contracts directly with the private sector for use of the aircraft. In other cases, the USACE uses the services of commercial aircraft that are on retainer with the Air Force or the Navy. The committee is concerned about recent Army blanket requirements for the USACE. The committee is concerned about the issuance of new blanket requirements for Army-contracted aircraft that do not apply to those aircraft on retainer with the Air Force or the Navy. These new requirements apparently include a requirement that all commercial aircraft under Army contract be subject to oversight by the Army's Program Executive Office for Aviation (PEO-AVN) and require an Air Worthiness Release (AWR). The committee has been made aware that the Army may not be applying these new requirements to such aircraft on loan from the Air Force or the Navy.

Such aircraft on contract to the USACE for survey and mapping purposes were previously certified by the Federal Aviation Administration (FAA), since such aircraft are used for inherently non-defense purposes. The committee believes that the Army's requirement for a blanket AWR for aircraft already certified by the FAA may not have a material impact on aircraft air worthiness unless the Army were to make major modifications to the aircraft or to make changes to the mission parameters. Such specific changes would dictate a more stringent air worthiness certification for these aircraft, but a blanket requirement that all aircraft require an AWR could result in unnecessary expenses for the taxpayer.

Therefore, the committee directs the Army and USACE to provide the congressional defense committees a briefing on contract aircraft operated by or for the USACE modifications required to meet USACE missions, certification requirements for such aircraft, and what value the Army receives from insisting on an AWR for commercial aircraft performing for civil survey and mapping functions.

Comptroller General of the United States review relating to remotely piloted aircraft

Remotely piloted aircraft (RPA) are a critical capability the Air Force provides to combatant commanders and in response to growing mission demands, the Air Force has significantly increased the number of RPA and associated personnel since 2008. However, the committee is concerned that the Air Force has not adjusted policies to fully account for the high operations tempo and unique operating

environment that drive the RPA enterprise requirements. A recent review by the Comptroller General of the United States, "Air Force: Actions Needed to Strengthen Management of Unmanned Aerial Systems Pilots; GAO-14-316," details some of these challenges. The committee directs the Air Force to report to the committee no later than September 30, 2014, on its efforts to implement the first three Government Accountability Office recommendations concerning its crew ratio, recruiting, and retention strategy.

Similar to units deploying to combat operations in Afghanistan and the Middle East, Air Force RPA pilots operate at a high operational tempo which constrains the time they have to train for the entire spectrum of missions in which they are required to maintain proficiency. Exacerbating this challenge, available simulators do not adequately replicate the environment of a RPA ground control station. Across the Department of Defense (DOD), as much as 90 percent of training for RPA-related personnel occurs as part of a combat operations mission.

As combat operations wind down in Afghanistan, the DOD will need to identify training opportunities to keep RPA personnel proficient. Two of the biggest challenges will be RPA access to military training airspace due to competition with other military aviation requirements, and access to civilian controlled airspace due to safety concerns. As RPA technology advances and RPA mission areas expand, the committee is concerned about DOD's ability to keep pace with these changes.

Therefore, the committee directs the Comptroller General to review DOD's RPA training. The review should include, at a minimum: (1) Challenges DOD faces in training RPA personnel; (2) The extent to which DOD has planned for and taken steps to mitigate those challenges; (3) The extent to which RPA units are able to perform required missions; (4) The extent to which DOD has access to the national airspace structure for RPA training operations; and (5) Any other matters the Comptroller General determines are appropriate during the review.

The Comptroller General shall submit the preliminary results of the review to the congressional defense committees no later than January 31, 2015, with a report to follow.

Distributed mission operations

The Air Force is providing its warfighters the ability to train and operate in a realistic virtual environment using the real-world operational systems they would use in an actual combat situation under its distributed mission operations (DMO) program. DMO training enables warfighters to simulate real operations in a safe training environment at multiple levels of classification and complexity without the concerns of range and airspace restrictions. By using this DMO training, the Air Force reduces flying hour costs, travel costs and other operations and support costs.

The committee is concerned that the ability of Air Force to field and connect DMO simulators broadly across the total Air Force, as Air Force leadership would prefer, is being hampered in this fiscally constrained environment. The committee needs to understand the extent of these fielding problems.

Therefore, the committee directs the Secretary of the Air Force to provide a plan that identifies current and planned fielding of the DMO program across the total Air Force, including locations and schedules for installation of DMO simulators and associated equipment, current and future network distribution and connectivity, and a funding plan that would achieve full operational capability for DMO. The Secretary of the Air Force should provide this plan to the congressional defense committees not later than April 30, 2015.

Ejection seats

Section 146 of the National Defense Authorization Act for Fiscal Year 2014 (Public Law 113–66) directed the Secretary of the Air Force to submit to the congressional defense committees a report setting forth an assessment of the risks to the health and safety of the members of the Armed Forces of the ejection seats currently in operational use by the Air Force. The report is due to the congressional committees no later than June 2014.

The committee looks forward to receiving that report. When the report is completed, the committee believes that the Secretary should develop a strategy to implement recommendations from the study to improve the safety and reliability of existing ejection seats in fighter and bomber aircraft as soon as possible, to include requesting any funding that may be needed in the fiscal year 2016 budget request.

Enhanced position location reporting system

The committee notes that the Army is modernizing its tactical communications architecture, including divestment of the Enhanced Position Location Reporting System (EPLRS) between fiscal years 2014 and 2017. The committee supports the Army's plan to modernize its digital communications architecture and understands that replacement of the EPLRS system with the currently fielded more capable Blue Force Tracking System will provide units with an improved interim capability. The committee is aware that EPLRS will continue to be used in some units outside of the Army and by some allies. Given this potential mix of communications systems, the committee would be interested to learn how the Army plans to mitigate any operational impacts as it implements EPLRS divestment.

Accordingly, the Secretary of the Army shall provide the Committee on Armed Services of the Senate with a briefing that outlines the potential interoperability risks, if any, for units still equipped with EPLRS and its plans to mitigate those risks.

Family of medium tactical vehicles

The budget request includes no funding in Other Procurement, Army (OPA) for the family of medium tactical vehicles (FMTV). However, the committee notes that the Army justification material for OPA included funding planned for fiscal years 2017 and 2018. The committee urges the Army to consider funding FMTV in the Oversea Contingency Operations request in order to help bridge the fiscal year 2014 to fiscal year 2017 funding gap.

Joint Light Tactical Vehicle

The budget request included \$45.7 million in PE 65812A, \$11.5 million in PE 65812M, \$164.6 million in Other Procurement, Army, and \$7.5 million in Procurement, Marine Corps for research, development, and low rate initial production (LRIP) of the Joint Light Tactical Vehicle (JLTV). The committee notes that, according to the Vice Chief of Staff of the Army, General John Campbell, JLTV is the centerpiece of the Army's tactical wheeled vehicle modernization strategy. The committee further notes that fiscal year 2015 is a critically important year for this program. Over the last 3 years, the joint program office has been managing the development and testing of prototype vehicles provided by three competing tactical vehicle vendor teams. This competitive prototyping acquisition strategy is consistent with the requirements of the Weapons System Acquisition Reform Act of 2009 (Public Law 111-23) and in 2015 will result in the selection of a single vendor for award of a LRIP contract for up to 183 Army and Marine Corps vehicles. The committee recommends full funding as requested for JLTV and expects the program to remain on schedule for its Milestone C decision in June 2015.

Joint Strike Fighter software development

The committee directs the Secretary of Defense to conduct a rigorous assessment of the F-35 Joint Strike Fighter's software development program and report to the congressional defense committees on the specific capabilities, to include combat capabilities, to be delivered and those that will not likely be delivered to each of the military Services by the date at which the Service plans to declare initial operational capability. The Secretary shall submit this report not later than May 1, 2015.

Light weight cartridge case and ammunition development

The committee remains encouraged by the Department of Defense's efforts and multiple ongoing projects to decrease the weight of cartridge cases and ammunition. The committee understands that polymers have the potential to act as better heat insulators, enabling the firing of more ammunition, and an added benefit of cost savings and decreased weight compared to conventional metal cartridge cases. The committee is also encouraged by the ongoing research and potential for cased telescoped ammunition which could decrease logistical weight by at least 50 percent and bulk storage volume by at least 40 percent.

Accordingly, the committee urges the Department to conduct the necessary logistical impact assessments to explore additional efficiencies for light weight cartridge cases and ammunition.

Lightweight robots

The committee is aware that the Army has developed and fielded a variety of lightweight robots to conduct reconnaissance, to counter improvised explosive devices, and for other tactical uses by units deployed supporting overseas contingency operations.

Over the years, the Army has rapidly acquired these lightweight robots in response to theater operational needs statements. The committee supports the continued research, development, and ac-

quisition (RDA) of lightweight robots to support the Army's various tactical requirements.

The committee is interested to learn, however, how the Army plans to transition lightweight robot RDA to a formal program of record. A program of record appears necessary to sustain momentum in the development of next generation lightweight robots as well as identify and field technical improvements to existing capabilities.

Accordingly, the committee directs the Secretary of the Army, or designee, not later than September 30, 2014, to provide the Senate Committee on Armed Services a briefing on the Army's plans, if any, for creation of a RDA program of record for lightweight tactical robots. The briefing should include discussion of the development and schedule for the review and approval of requirements documents necessary to establish a RDA program of record. Also, the briefing should include technology development and procurement schedules and related funding profiles through the future years defense program.

MH-60R helicopters

The budget request included \$933.9 million to buy 29 MH-60R helicopters and \$106.7 million in advance procurement. The last future years defense program (FYDP) indicated that the Navy intended to buy 29 MH-60R helicopters in fiscal year 2016 to fulfill the Navy's part of the last year of the Army's H-60 multiyear procurement contract. The latest FYDP projects that the Navy will not buy any MH-60R helicopters in fiscal year 2016. Absent action to revise the fiscal year 2016 plan for the Navy, or to apply additional resources to the Army procurement effort, this action by the Navy would cause a government default on the multiyear contract.

The Navy has planned to budget \$250.0 million in fiscal year 2016 to cover termination charges. However, the Navy cannot assure the committee that this amount will cover all of the Navy's early termination charges, nor have Navy officials been able to specify what additional costs will fall on the Army if the Navy were to fail to buy the 29 helicopters as planned. At a minimum, the Army would be forced to renegotiate the contract, which will probably delay deliveries and most certainly increase unit costs.

The committee urges the Navy to reconsider this plan during the development of the fiscal year 2016 budget. If the Navy decides to opt out of the multiyear contract next year, the committee expects the Secretary of the Navy to explain how this aircraft reduction is related to the Navy's ship force structure and whether the Navy will be able to meet its requirements with a smaller number of MH-60R helicopters in the future. In the meantime, the committee directs the Secretary of Defense, in consultation with the Secretary of the Army and the Secretary of the Navy, to develop a better estimate of the likely effects if the Navy were to withdraw from the Army's H-60 multiyear procurement contract in fiscal year 2016. The Secretary of Defense should provide that analysis to the congressional defense committees within 90 days.

Modular handgun

The committee is aware that the Army is in the process of an open competition for a commercial off-the-shelf non-developmental modular handgun that could result in the replacement of its existing M9 pistol. The committee notes that the Army has not replaced any of its current mix of small arms in several years and is interested to know how the Army will ensure the stability of the modular handgun program.

Accordingly, the committee directs the Secretary of the Army, or designee, to provide the congressional defense committees a briefing no later than March 1, 2015, that describes the modernization strategy for its handgun replacement program. The required briefing shall include a description of requirements for the replacement modular handgun and how the program's critical performance requirements are linked to capabilities demonstrated in the small arms marketplace. The briefing should also include relevant schedule and funding profile information through the future years defense program.

Report on the Navy's shipbuilding industrial base

In testimony before the Seapower Subcommittee of this committee, the Assistant Secretary of the Navy for Research, Development and Acquisition expressed concern about the fragility of the Navy's shipbuilding industrial base. Other Navy officials, including the Secretary of the Navy and the Chief of Naval Operations have expressed similar concerns. The committee shares these concerns and requests the Secretary of the Navy, in conjunction with the Under Secretary of Defense for Acquisitions, Technology, and Logistics, provide a report on the state of the Navy's shipbuilding industrial base not later than February 1, 2015. The report should contain the following:

(1) A comparison of shipyard capacities and capabilities with projected shipbuilding workloads, and challenges this may produce in coming years in terms of capacity utilization and preservation of key design and construction skills.

(2) Investments the shipyards have made in recent years to modernize their production facilities and to recruit, train, and retain their workers, and any challenges the shipyards may face in doing this in coming years.

(3) Investments the shipyards could make to achieve cost reductions on Navy programs or to position the yards to survive a number of years on reduced Navy orders.

(4) The shipyards' construction processes and methods, and how these compare to best practices in shipyards around the world.

(5) The prospects, by ship type, for using competition in the design and construction of Navy ships in coming years.

(6) A comparison of supplier capacities and capabilities with projected shipbuilding workloads, and challenges this may produce in coming years in terms of capacity utilization and preservation of key suppliers.

(7) A comparison of shipbuilding research and development investments with projected shipbuilding workloads, and any challenges that deficiencies in investment may produce in future years

in utilizing capacity, preserving of key skills, and continuing innovation.

(8) An analysis of the risks to the shipbuilding industrial base in the Navy's shipbuilding plan in the 2015 future years defense program, and the risks to the industrial base if Congress does not amend the Budget Control Act to increase budget levels for the Department of Defense before fiscal year 2016.

(9) A comprehensive funding section that includes:

(a) An itemized listing of funds budgeted for support of the shipbuilding industrial base. This is to include all applicable Navy and Defense-wide appropriations. Detail must be by fiscal year at the Appropriation, line item/program element-project level with a description of the effort. Detail should be provided over the future years defense program and include up to 10 years of prior fiscal year actuals. This detailed listing is to specifically include funding contained in current shipbuilding programs (detail design/plans), as well as the research and development funding for preliminary and contract design program elements, and any applicable science and technology funding, as well as applicable funding from the Industrial Preparedness and Manufacturing Technology programs.

(b) Any recommendations in the report for additional funding should be identified at the same level of detail as described in the subsection above.

(c) The report funding summary should also provide information on applicable efforts from other related agencies, such as the Department of Transportation, the Maritime Administration, and the Coast Guard.

RQ-21 unmanned aerial systems

The budget request included \$70.6 million to procure three RQ-21A Blackjack unmanned aerial systems and to buy ancillary support equipment and provide interim contractor logistics support.

The committee recognizes that this is not a very economical rate at which to buy the RQ-1A system and understands that the Marine Corps may be seeking to move funds within the account to add to the RQ-21A end item procurement plan.

If the Marine Corps can identify additional resources to such a purpose, the committee would support buying more systems under a buy-to-budget approach.

Solid state radar upgrades

The committee is aware that most current Navy radars use 1910s vacuum electronic devices technology and designs, such as traveling wave tubes and cross-field amplifiers.

The committee also understands that corrective radar system maintenance typically occurs only after a component or system failure, or that components are proactively replaced to avoid suffering lower operational readiness due to low mean time between critical failure of the cross-field amplifier tube technology. These failures can undercut readiness and reduce the operational availability of naval vessels.

The committee notes that upgrading existing radars with solid-state technology, such as components using gallium nitride (GaN),

may significantly improve performance and reliability, as well as result in significant potential cost savings over the life of the radar. The committee needs to understand the potential of technology improvements to result directly in increases in operational readiness.

Therefore, the committee directs the Chief of Naval Research to provide an assessment to the congressional defense committees, no later than September 30, 2014, that includes the following:

- (1) An inventory of current Navy radars, the technology Navy radars utilize, and the reliability of those radars;
- (2) An assessment of the feasibility, advisability, estimated costs, and potential performance benefits of upgrading radars on current Navy vessels with solid-state emitters that use solid state technology, such as GaN;
- (3) An assessment of ongoing efforts to prototype a generic solid state emitter as a potential upgrade for radars across Navy vessels.

Technical study and business case analysis of body armor plates

The Secretary of the Army shall conduct a technical study and business case analysis on the requirements, cost, benefit, feasibility, and advisability of the replacement and refurbishment of the various body armor plates used in personal protective equipment. The technical study will include an identification and evaluation of environmental or other conditions under which body armor plates will or could lose their required protective performance or properties and an identification and evaluation of the handling and storage for body armor plates to ensure the most cost-effective shelf life to retain the required protective performance properties. In addition to the technical study, the business case analysis will evaluate the full range of options for body armor modernization and sustainment. An interim report shall be submitted to the congressional defense committees not later than March 1, 2015, and a final report submitted not later than March 1, 2016.