SEC. ___. EXTENSION OF AUTHORITY TO PROVIDE ASSISTANCE TO COUNTER THE ISLAMIC STATE IN IRAQ AND THE LEVANT.

(a) EXTENSION OF AUTHORITY.—Subsection (a) of section 1236 of the Carl Levin and Howard P. "Buck" McKeon National Defense Authorization Act for Fiscal Year 2015 (Public Law 113-291; 128 Stat. 3558), as amended by section 1223 of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114-92;129 Stat. 1049), is amended by striking "December 31, 2016" and inserting "September 30, 2018".

(b) FUNDING.—Subsection (g) of such section is amended—

(1) by striking "in the National Defense Authorization Act for Fiscal Year 2016 for" and inserting "for Department of Defense";

(2) by striking "in title XV for fiscal year 2016" and inserting "fiscal year 2017";

(3) by striking "$715,000,000" and inserting "$630,000,000"; and

(4) by striking "September 30, 2016" and inserting "September 30, 2018".

[Note: The "Changes to Existing Law" section below sets out in red-line format how the legislative text above would amend existing law.]

Section-by-Section Analysis

This proposal will extend an existing authority and reflects decreased resource requirements for Fiscal Year (FY) 2017. This proposal is being submitted to continue the critical special authority to train Iraq security forces (ISF) with training and equipment to counter Islamic State of Iraq and the Levant (ISIL). While the pace of operations is largely dependent on Iraqi action, FY 2017 will likely be focused on the liberation of Mosul and the Northern provinces, continuing to improve security in Anbar province, and perhaps also the reestablishing of border control. To this end, the FY 2017 request is based on a continuation of the previous C-ISIL activities designed to enable Iraqi gains, primarily through training, advising and other related support. We also expect FY 2017 to be a turning point where we can provide greater focus to SOF and counterterrorism forces which will anchor our longer term bilateral defense relationship. In addition to counterterrorism forces, we assess that we will need to provide continued support to local forces including Sunni tribal fighters, Sunni police forces and Peshmerga forces in order to hold areas liberated from ISIL.

Budget Implications: The resources reflected in the table below are funded within the FY 2017 President's Budget.

RESOURCE REQUIREMENTS ($MILLIONS)									
	FY 2017	**FY 2018**	**FY 2019**	**FY 2020**	**FY 2021**	**Appropriation From**	**Budget Activity**	**Dash-1 Line Item**	**Program Element**
ITEF	$630.0					Iraq Train and Equip Fund	01		
Total	$630.0						01		

Changes to Existing Law: This proposal would make the following changes to section 1236 of the National Defense Authorization Act for Fiscal Year 2015 (Public Law 113-291), as amended:

SEC. 1236. AUTHORITY TO PROVIDE ASSISTANCE TO COUNTER THE ISLAMIC STATE IN IRAQ AND THE LEVANT.

(a) IN GENERAL.—The Secretary of Defense is authorized, in coordination with the Secretary of State, to provide assistance, including training, equipment, logistics support, supplies, and services, stipends, facility and infrastructure repair and renovation, and sustainment, to military and other security forces of or associated with the Government of Iraq, including Kurdish and tribal security forces or other local security forces, with a national security mission, through ~~**December 31, 2016**~~ **September 30, 2018**, for the following purposes:

(1) Defending Iraq, its people, allies, and partner nations from the threat posed by the Islamic State of Iraq and the Levant (ISIL) and groups supporting ISIL.

(2) Securing the territory of Iraq.

(b) NOTICE BEFORE PROVISION OF ASSISTANCE.—Of the funds authorized to be appropriated under this section, not more than 25 percent of such funds may be obligated or expended until not later than 15 days after—

(1) the Secretary of Defense, in coordination with the Secretary of State, submits to the appropriate congressional committees and leadership of the House of Representatives and Senate a report, in unclassified form with a classified annex as appropriate, that contains a description of—

(A) the plan for providing such assistance;

(B) an identification of such forces designated to receive such assistance; and

(C) the plan for re-training and re-building such forces; and

(2) the President submits to the appropriate congressional committees and leadership of the House of Representatives and Senate a report, in unclassified form with a classified annex as appropriate that contains a description of how such assistance supports a larger regional strategy.

(c) PLAN ELEMENTS.—The plan required in subsection (a)(1) shall include, at a minimum, a description of—

(1) the goals and objectives of assistance authorized under subsection (a);

(2) the concept of operations, timelines, and types of training, equipment, stipends, sustainment, and supplies to be provided;

(3) the roles and contributions of partner nations;

(4) the number and role of United States Armed Forces personnel involved;

(5) any additional military support and sustainment activities; and

(6) any other relevant details.

(d) QUARTERLY PROGRESS REPORT.—Not later than 90 days after the date on which the Secretary of Defense submits the report required in subsection (b)(1), and every 90 days thereafter, the Secretary of Defense, in coordination with the Secretary of State, shall provide the appropriate congressional committees and leadership of the House of Representatives and the Senate with a progress report. Such progress report shall, based on the most recent quarterly information, include a description of the following:

(1) Any updates to or changes in the plan, strategy, process, vetting requirements and process as described in subsection (e), and end-use monitoring mechanisms and procedures.

(2) A description of how attacks against United States or coalition personnel are being mitigated, statistics on any such attacks, including ‘‘green-on-blue’’ attacks.

(3) A description of the forces receiving assistance authorized under subsection (a).

(4) A description of the recruitment, throughput, and retention rates of recipients and equipment.

(5) A description of any misuse or loss of provided equipment and how such misuse or loss is being mitigated.

(6) An assessment of the operational effectiveness of the forces receiving assistance authorized under subsection (a).

(7) A description of sustainment support provided to the forces authorized under subsection (a).

(8) A list of projects to repair or renovate facilities authorized under subsection (a).

(9) A statement of the amount of funds expended during the period for which the report is submitted.

(10) An assessment of the effectiveness of the assistance authorized under subsection (a).

(11) A list of the forces or elements of forces that are restricted from receiving assistance under subsection (a), other than the forces or elements of forces with respect to which the Secretary of Defense has exercised the waiver authority under subsection (j), as a result of vetting required by subsection (e) or section 2249e of title 10, United States Code, and a detailed description of the reasons for such restriction, including for each force or element, as applicable, the following:

(A) Information relating to gross violation of human rights committed by such force or element, including the time-frame of the alleged violation.

(B) The source of the information described in subparagraph (A) and an assessment of the veracity of the information.

(C) The association of such force or element with terrorist groups or groups associated with the Government of Iran.

(D) The amount and type of any assistance provided to such force or element by the Government of Iran.

(e) VETTING.—The Secretary of Defense should ensure that prior to providing assistance to elements of any forces described in subsection (a) such elements are appropriately vetted, including at a minimum, by—

(1) conducting assessments of such elements for associations with terrorist groups or groups associated with the Government of Iran; and

(2) receiving commitments from such elements to promote respect for human rights and the rule of law.

(f) DEFINITION.—In this section, the term ''appropriate congressional committees'' means—

(1) the Committee on Armed Services, the Committee on Foreign Relations, and the Committee on Appropriations of the Senate; and

(2) the Committee on Armed Services, the Committee on Foreign Affairs, and the Committee on Appropriations of the House of Representatives.

(g) FUNDING.—Of the amounts authorized to be appropriated ~~**in the National Defense Authorization Act for Fiscal Year 2016**~~ for **Department of Defense** Overseas Contingency Operations ~~**in title XV**~~ **for** ~~**fiscal year 2016**~~ **fiscal year 2017**, there are authorized to be appropriated ~~**$750,000,000**~~ **$630,000,000** to carry out this section. Amounts authorized to be appropriated under this subsection are authorized to remain available until ~~**September 30, 2016**~~ **September 30, 2018.**

(h) AUTHORITY TO ACCEPT CONTRIBUTIONS.—The Secretary of Defense may accept and retain contributions, including assistance in-kind, from foreign governments, including the Government of Iraq, to provide assistance authorized under subsection (a). Any funds accepted by the Secretary may be credited to the account from which funds are made available for the provision of assistance authorized under subsection (a) and may be used for such purpose until expended.

(i) CONSTRUCTION OF AUTHORIZATION.—Nothing in this section shall be construed to constitute a specific statutory authorization for the introduction of United States Armed Forces into hostilities or into situations wherein hostilities are clearly indicated by the circumstances.

(j) WAIVER AUTHORITY.—

(1) BY SECRETARY OF DEFENSE.—

(A) IN GENERAL.—For purposes of the provision of assistance pursuant to subsection (a), the Secretary of Defense may waive any provision of law described in subparagraph (B) if the Secretary—

(i) determines that such provision of law would (but for the waiver) prohibit, restrict, delay, or otherwise limit the provision of such assistance; and

(ii) submits to the appropriate congressional committees a notice of and justification for the waiver and the provision of law to be waived.

(B) PROVISIONS OF LAW.—The provisions of law described in this subparagraph are the following:

(i) Any provision of law relating to the acquisition of items and support services.

(ii) Section 40A of the Arms Export Control Act (22 U.S.C. 2780 and 2785).

(C) ADDITIONAL WAIVER AUTHORITY.—

(i) IN GENERAL.—For purposes of the provision of assistance described in subsection (l)(2), the Secretary of Defense may waive any provision of law described in clause (ii) if the Secretary satisfies the requirements described in clauses (i) and (ii) of subparagraph (A) with respect to such waiver.

(ii) PROVISIONS OF LAW.—The provisions of law described in this clause are the following:

(I) Any provision of law described in subparagraph (B).

(II) Any eligibility requirement under section 3 of the Arms Export Control Act (22 U.S.C. 2753).

(III) Any eligibility requirement under chapter 2 of part II of the Foreign Assistance Act of 1961 (22 U.S.C. 2311 et seq.).

(2) BY PRESIDENT.— The President may waive any provision of law other than a provision of law described in paragraph (1)(B) for purposes of the provision of assistance pursuant to subsection (a) and any provision of law other than a provision of law described in subsection (1)(C) for purposes of the provision of assistance described in subsection (l)(2) if the President determines that it is vital to the national security interests of the United States to waive such provision of law. Such waiver shall not take effect until 15 days after the date on which the President notifies the appropriate congressional committees of such determination and the provision of law to be waived.

(3) REPORT.—

(A) IN GENERAL.—Not later than 90 days after the date of the enactment of this Act [Dec. 19, 2014] the President shall transmit to the congressional defense committees a report that provides a specific list of provisions of law that need to be waived under this subsection for purposes of the provision of assistance pursuant to subsection (a) and a justification for each such waiver.

(B) UPDATE.—The President shall submit to the congressional defense committees an update of the report required by subparagraph (A) not later than 180 days after the date of the enactment of this Act.

(k) COST-SHARING REQUIREMENT.—

(1) IN GENERAL.—Of the funds authorized to be appropriated under this subsection, not more than 60 percent of such funds may be obligated or expended until not later than 15 days after the date on which the Secretary of Defense certifies to the appropriate congressional committees and leadership of the House of Representatives and the Senate that an amount equal to not less than 40 percent of the amount authorized to be appropriated to carry out this section has been contributed by other countries and entities

for the purposes described in subsection (a), which may include contributions of in-kind support for forces described in subsection (a), as determined from October 1, 2014, of which not less than 50 percent of such amount contributed by other countries and entities has been contributed by the Government of Iraq.

(2) EXCEPTION.—The limitation in paragraph (1) shall not apply if the Secretary of Defense determines, in writing, that the national security objectives of the United States will be compromised by the application of the limitation to any such assistance, and notifies the appropriate congressional committees not less than 15 days in advance of the exemption taking effect, including a justification for the Secretary's determination and a description of the assistance to be exempted from the application of such limitation.

(l) ASSESSMENT AND AUTHORITY TO ASSIST DIRECTLY CERTAIN COVERED GROUPS.—

(1) ASSESSMENT.—

(A) IN GENERAL.—Not later than 120 days after the date of the enactment of the National Defense Authorization Act for Fiscal Year 2016 [Nov. 25, 2015], the Secretary of Defense and the Secretary of State shall jointly submit to the appropriate congressional committees an assessment of the extent to which the Government of Iraq is increasing political inclusiveness, addressing the grievances of ethnic and sectarian minorities, and enhancing minority integration in the political and military structures in Iraq.

(B) FACTORS TO BE CONSIDERED IN MAKING ASSESSMENT.— In making the assessment described in subparagraph (A), the Secretary of Defense and the Secretary of State shall consider the following factors:

(i) The extent to which the Government of Iraq is taking steps to reduce support among the Iraqi people for the Islamic State of Iraq and the Levant (ISIL) and improve stability in Iraq.

(ii) The progress of efforts to enact legislation establishing the Iraqi National Guard, particularly in predominantly Sunni regions.

(iii) The extent to which the Government of Iraq is expanding the representation of minorities in adequate numbers in government security organizations and providing for the training and equipping of such forces.

(iv) Whether the Government of Iraq is ending support for Shia militias under the command and control of, or associated with, the Government of Iran, and stopping abuses of elements of the Iraqi population by such militias.

(v) Whether the Government of Iraq is ensuring that supplies, equipment, and weaponry supplied by the United States are appropriately distributed to security forces with a national security mission in Iraq, including the Kurdish Peshmerga, Sunni tribal security forces and local security forces with a national security mission, and, once established, the Iraqi Sunni National Guard.

(vi) Whether the Government of Iraq is addressing grievances regarding the arrest and detention without trial of ethnic and sectarian minorities or is taking steps to prosecute such individuals that are detained in a fair, transparent, and prompt manner.

(vii) Such other factors as the Secretaries consider appropriate.

(C) UPDATE.—The Secretary of Defense and the Secretary of State shall submit to the appropriate congressional committees an update of the assessment required under subparagraph (A) not later than 180 days after the date on which the assessment is submitted to the appropriate congressional committees under subparagraph (A).

(D) SUBMISSION.—The assessment required under subparagraph (A) and the update of the assessment authorized under subparagraph (C) may be submitted as part of the quarterly report required under subsection (d).

(2) ASSISTANCE DIRECTLY TO CERTAIN COVERED GROUPS.—

(A) IN GENERAL.—If the President, taking into account the results of the assessment required under paragraph (1)(A) or the update required under paragraph (1)(C), determines and notifies the appropriate congressional committees that the Government of Iraq has failed to take substantial action to increase political inclusiveness, address the grievances of ethnic and sectarian minorities, and enhance minority integration in the political and military structures in Iraq, the Secretary of Defense, in coordination with the Secretary of State, is authorized to provide, in coordination to the extent practicable with the Government of Iraq, assistance under the authority of subsection (a) directly to the groups described in subparagraph (D) for the purpose of supporting international coalition efforts against ISIL.

(B) ADMINISTRATIVE PROVISIONS.—In carrying out subparagraph (A), the Secretary of Defense may—

(i) re-allocate the amount of assistance authorized under subsection (a) to increase the share of such assistance provided to the groups described in subparagraph (D); and

(ii) exercise the waiver authority provided in subsection (j)(1)(C) with respect to providing assistance to the groups described in subparagraph (D).

(C) COST-SHARING REQUIREMENT INAPPLICABLE.—The cost-sharing requirement of subsection (k) shall not apply with respect to funds that are obligated or expended under this subsection for assistance provided directly to the groups described in subparagraph (D).

(D) COVERED GROUPS.—The groups described in this subparagraph are—

(i) the Kurdish Peshmerga; and

(ii) Sunni tribal security forces, or other local security forces, with a national security mission.