SEC. __. INCREASE IN COST LIMITATION FOR SMALL SCALE CONSTRUCTION RELATED TO SECURITY COOPERATION.

Section 301(8) of title 10, United States Code is amended by striking "$750,000" and inserting "$3,000,000".

[Please 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 amendment increases the maximum amount of small scale construction costs to a level commensurate with one authority repealed in the FY17 NDAA (section 1004(b)), would allow greater flexibility to design programs under section 333, the new global train and equip authority, and expands the Department's ability leverage section 331, the new operational support authority as a means of working by, with, and through partners and allies to share the burden of global security.

The authorization to provide small scale construction for the primary benefit to partner nations, augments the Department's new security cooperation authorities enacted by the FY17 NDAA, and avoids issues related to military construction. Previously, the Department provided similar construction support through section 1004(b) and section 2282 counter-terrorism programs. Whereas 2282 was limited to $750K, the 1004(b) authority allowed for construction projects up to $3 million - a level commensurate with "unspecified minor military construction" limits. In FY2017, given the repeal of 1004(b) and limit of $750K in the new statute, a number of previously validated construction projects planned to be executed in FY 2017 were canceled. In some instances, these cancellations followed substantial investment of government time and resources and strained relationships with key partners. For 2282, the Department determined that $750K does not always address full construction costs for certain programs and this change will enable DoD to build facilities for partners to support the sustainment goals implicit in section 333. Furthermore, the Department is exploring ways to work by, with, and through partners and allies through the section 331 operational support authority, and anticipates that some construction projects may require either a slightly higher funding cap

Budget Implications: This is funded in the FY 2019 President's Budget request.

RESOURCE REQUIREMENTS ($MILLIONS)									
	FY 2019	**FY 2020**	**FY 2021**	**FY 2022**	**FY 2023**	**Appropriation From**	**Budget Activity**	**Dash-1 Line Item**	**Program Element**
Dept of Defense	27.5	27.5	27.5	27.5	27.5	Operation & Maintenance, Defense-wide	04	4GTD	N/A

Changes to Existing Law: This section would make the following changes to section 301 of title 10, United States Code:

§301. Definitions

In this chapter:

* * * * *

(8) The term "small-scale construction" means construction at a cost not to exceed ~~$750,000~~ $3,000,000 for any project.

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