SEC.___. PERMANENT AUTHORITY FOR CERTAIN POSITIONS AT DEPARTMENT OF DEFENSE RESEARCH AND ENGINEERING FACILITIES.

(a) ESTABLISHMENT OF PERMANENT AUTHORITY.—Chapter 81 of title 10, United States Code, is amended by adding at the end a new section 1599g consisting of—

(1) a heading as follows:

"§ 1599g. Hiring of Candidates for Scientific and Engineering Positions at Science and Technology Reinvention Laboratories"; and

(2) a text consisting of subsections (a) through (d), (f), (g), and (h) of section 1107 of the National Defense Authorization Act for Fiscal Year 2014 (10 U.S.C. 2358 note).

(b) CONFORMING AMENDMENTS.—

(1) REDESIGNATIONS.—Such section 1599g is amended by redesignating subsections (d), (f), (g), and (h) as subsections (g), (d), (e), and (f), respectively, and transferring subsection (g) (as so redesignated) so that it appears after subsection (f).

(2) REFERENCES TO UNITED STATES CODE.—Such section is further amended by striking ", United States Code" each place it appears.

(3) REMOVAL OF SUNSET OF HIRING OF SENIOR TECHNICAL MANAGERS.—Such section is further amended in subsection (d) (as redesignated by paragraph (1) of this subsection) by striking paragraph (3).

(c) TABLE OF SECTIONS AMENDMENT.—The table of sections at the beginning of chapter 81 of title 10, United States Code, is amended by adding at the end the following new item:

"1599g. Hiring of Candidates for Scientific and Engineering Positions at Science and Technology Reinvention Laboratories.".

1 (d) REPEAL OF TEMPORARY AUTHORITY.—Section 1107 of the National Defense

2 Authorization Act for Fiscal Year 2014 (10 U.S.C. 2358 note) is repealed.

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

Section by Section Analysis

Section 1107(a) of the FY14 National Defense Authorization Act (NDAA), as amended by the FY15 NDAA and the FY16 NDAA, established a new Direct Hire Authority (DHA) for Science and Technology Reinvention Laboratories (STRLs) of candidates into scientific and engineering positions. (See 10 U.S.C. 2358 note.) This DHA provides a streamlined and accelerated hiring process that allows the STRLs to successfully compete with private industry and academia for high quality STEM and technician candidates. For example, the ability to make an "on-the-spot" conditional job offer at career fairs has proven to be a valuable recruitment tool. Section 1107, as amended, established that appointments under this authority cannot be made after December 31, 2019. This proposal would make the direct hire authority for STRLs permanent by creating a new section in title 10 with the same authority that currently exists in temporary form under section 1107 and repealing the temporary authority contained in that section.

The unique mission within the DoD laboratories requires scientists, engineers, mathematicians, and technicians with specialized academic training and technical skills to address a broad range of critical areas. Accomplishing the mission places a requirement on laboratory managers to hire a skilled workforce that is capable of addressing both short and long-range research demands. The DoD laboratories consistently respond to emergent requests directly from the battlefield which requires the capability to quickly establish or revitalize core competencies. Existing DHA candidates provides DoD laboratory managers the critical capability to make appointments as quickly as private industry, our prime competitor in hiring high quality talent in the STEM disciplines. DHA authority reduces the workload (and therefore overhead costs and time) that STRLs and the Navy Office of Civilian Human Resources (OCHR) are required to perform in comparison to traditional hiring processes. Being able to hire and bring quality candidates on board quickly enhances the STRLs' ability to meet customers' and warfighters' needs.

All DoD laboratories have an aging workforce largely eligible for retirement. If the DoD laboratories are not aggressive in hiring efforts over the next decade, critical organic employee skills will be lost.[1[1]] Within some technical competencies, it takes roughly ten years of dedicated mentoring by a senior scientist or engineer for an entry-level employee to reach a journeymen level. Therefore, the laboratories need this expanded flexibility to quickly hire entry-level candidates with bachelor's degrees to be mentored by our experienced employees who are quickly approaching retirement eligibility.

[1[1]] Moran, M. & O'Neil, S. (2014, December). Reinvest in the DOD Workforce. *Proceedings*, 140(12).

In addition to the subject authority, there are a few other existing expedited authorities available to the STRLs to hire scientists and engineers: DHA for Scientists and Engineers with Advanced Degrees, Distinguished Scholastic Achievement Authority (DSAA), and Acquisition Workforce Expedited Hiring Authority. The DHA for Scientists and Engineers with Advanced Degrees is focused on employing candidates with advanced degrees and is not available to hire scientists and engineers with only a bachelor's degree, veterans, or students. The annual number of hires is limited to only five percent of each laboratory's scientists and engineers onboard on September 30 of the previous year. Also, the DHA for Advanced Degrees does not provide a means to quickly hire a prime experienced candidate that has only a bachelor's degree, or to hire a recent graduate with only a bachelor's degree who has skills in a new or emergent field of critical importance to the warfighter. The DSAA allows STRLs to hire candidates with GPAs of 3.5 or above on a 4.0 scale from undergraduate through doctoral programs. However, for some STRLs, Delegated Examining Authority (DEA) is required to implement the DSAA, which slows the hiring process significantly. The Acquisition Workforce Expedited Hiring Authority covers only those scientific and engineering positions equivalent to the GS-9 and above, and entry level scientific and engineering positions that have been identified as acquisition positions. That authority is not available to non-acquisition scientific and engineering positions. While valuable to the STRLs, these authorities do not provide a means to quickly hire a prime experienced non-acquisition candidate who does not possess an advanced degree or a recent bachelor's degree graduate with skills in a new or emerging field.

A severe shortage of scientists and engineers at the government laboratories would erode the military's technological edge in developing weapons, defenses, and other exigent projects in the coming years. For example, the laboratories have an urgent and critical need for professionals with cybersecurity skills and experience and these candidates are in high demand by all sectors. Making the DHA permanent (by removing the sunset date of December 31, 2019) simplifies and expedites hiring into STEM positions and ensures DoD laboratories' ability to compete with industry for this critical talent on a more equal playing field.

The proposal would also make the authority for Senior Scientific Technical Managers permanent authority. The SSTM authority is recent and NAVSEA Warfare Center SSTM positions have been filled for only a year (some less) but their importance to the fleet and the security of our nation is critical. There is a current sunset date for the SSTM Authority of 31 December 2019. Although incumbents may remain in the positions after the sunset date, no new SSTM would be able to be filled. For example, if the SSTM authority is not made permanent and the SSTM for Machinery Controls Cybersecurity leaves the position, it could not be filled. This critical technology area could suffer and put our ship and submarine systems at risk for a cyber-attack on the navigation and weapons systems with life-threatening consequences.

Budget Implications: There is no budgetary impact associated with the implementation of the proposed amendment because STRLs will need to hire the candidates to meet workload demands whether through the DHA or through another traditional method (i.e., delegated examining or Pathways Recent Graduates).

RESOURCE REQUIREMENTS ($MILLIONS)

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	Appropriation To	Budget Activity	Dash-1 Line Item
Total	0.0	0.0	0.0	0.0	0.0	N/A	N/A	N/A

Changes to Existing Law: This proposal would create a new section 1599g in title 10 as follows and would repeal section 1107 of the National Defense Authorization Act for Fiscal Year 2014 (10 U.S.C. 2358 note):

§1599g. Hiring of Candidates for Scientific and Engineering Positions at Science and Technology Reinvention Laboratories

(a) AUTHORITY TO MAKE DIRECT APPOINTMENTS.—

(1) CANDIDATES FOR SCIENTIFIC AND ENGINEERING POSITIONS AT SCIENCE AND TECHNOLOGY REINVENTION LABORATORIES.— The director of any Science and Technology Reinvention Laboratory (hereinafter in this section referred to as an ''STRL'') may appoint qualified candidates possessing a bachelor's degree to positions described in paragraph (1) of subsection (b) as an employee in a laboratory described in that paragraph without regard to the provisions of subchapter I of chapter 33 of title 5~~, United States Code~~ (other than sections 3303 and 3328 of such title).

(2) VETERAN CANDIDATES FOR SIMILAR POSITIONS AT RESEARCH AND ENGINEERING FACILITIES.—The director of any STRL may appoint qualified veteran candidates to positions described in paragraph (2) of subsection (b) as an employee at a laboratory, agency, or organization specified in that paragraph without regard to the provisions of subchapter I of chapter 33 of title 5~~, United States Code~~.

(3) STUDENTS ENROLLED IN SCIENTIFIC AND ENGINEERING PROGRAMS.—The director of any STRL may appoint qualified candidates enrolled in a program of undergraduate or graduate instruction leading to a bachelor's or an advanced degree in a scientific, technical, engineering or mathematical course of study at an institution of higher education (as that term is defined in section 101 and 102 of the Higher Education Act of 1965 (20 U.S.C. 1001)) to positions described in paragraph (3) of subsection (b) as an employee in a laboratory described in that paragraph without regard to the provisions of subchapter I of chapter 33 of title 5~~, United States Code~~ (other than sections 3303 and 3328 of such title).

(4) NONCOMPETITIVE CONVERSION TO PERMANENT APPOINTMENT.—With respect to any student appointed by the director of an STRL under paragraph (3) to a temporary or term appointment, upon graduation from the applicable institution of higher education (as defined in such paragraph), the director may noncompetitively convert such student to a permanent appointment within the STRL without regard to the provisions of subchapter I of chapter 33 of title 5~~, United States Code~~ (other than sections 3303 and 3328 of such title), provided the student meets all eligibility and Office of Personnel Management qualification requirements for the position.

(b) COVERED POSITIONS.—

(1) CANDIDATES FOR SCIENTIFIC AND ENGINEERING POSITIONS.— The positions described in this paragraph are scientific and engineering positions that

may be temporary, term, or permanent in any laboratory designated by section 1105(a) of the National Defense Authorization Act for Fiscal Year 2010 (Public Law 111-84; 123 Stat. 2486; 10 U.S.C. 2358 note) as a Department of Defense science and technology reinvention laboratory.

(2) QUALIFIED VETERAN CANDIDATES.—The positions described in this paragraph are scientific, technical, engineering, and mathematics positions, including technicians, in the following:

(A) Any laboratory referred to in paragraph (1).

(B) Any other Department of Defense research and engineering agency or organization designated by the Secretary for purposes of subsection (a)(2).

(3) CANDIDATES ENROLLED IN SCIENTIFIC AND ENGINEERING PROGRAMS.—The positions described in this paragraph are scientific and engineering positions that may be temporary or term in any laboratory designated by section 1105(a) of the National Defense Authorization Act for Fiscal Year 2010 (Public Law 111–84; 123 Stat. 2486; 10 U.S.C. 2358 note) as a Department of Defense science and technology reinvention laboratory.

(c) LIMITATION ON NUMBER OF APPOINTMENTS ALLOWABLE IN A CALENDAR YEAR.—The authority under subsection (a) may not, in any calendar year and with respect to any laboratory, agency, or organization described in subsection (b), be exercised with respect to a number of candidates greater than the following:

(1) In the case of a laboratory described in subsection (b)(1), with respect to appointment authority under subsection (a)(1), the number equal to 6 percent of the total number of scientific and engineering positions in such laboratory that are filled as of the close of the fiscal year last ending before the start of such calendar year.

(2) In the case of a laboratory, agency, or organization described in subsection (b)(2), with respect to appointment authority under subsection (a)(2), the number equal to 3 percent of the total number of scientific, technical, engineering, mathematics, and technician positions in such laboratory, agency, or organization that are filled as of the close of the fiscal year last ending before the start of such calendar year.

(3) In the case of a laboratory described in subsection (b)(3), with respect to appointment authority under subsection (a)(3), the number equal to 3 percent of the total number of scientific and engineering positions in such laboratory that are filled as of the close of the fiscal year last ending before the start of such calendar year.

(~~f~~d) SENIOR SCIENTIFIC TECHNICAL MANAGERS.—

(1) ESTABLISHMENT.—There is hereby established in each STRL a category of senior professional scientific and technical positions, the incumbents of which shall be designated as ‘‘senior scientific technical managers’’ and which shall be positions classified above GS-15 of the General Schedule, notwithstanding section 5108(a) of title 5~~, United States Code~~. The primary functions of such positions shall be—

(A) to engage in research and development in the physical, biological, medical, or engineering sciences, or another field closely related to the mission of such STRL; and

(B) to carry out technical supervisory responsibilities.

(2) APPOINTMENTS.—The positions described in paragraph (1) may be filled, and shall be managed, by the director of the STRL involved, under criteria established pursuant to section 342(b) of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103-337; 108 Stat. 2721), relating to personnel demonstration projects at laboratories of the Department of Defense, except that the director of the laboratory involved shall determine the number of such positions at such laboratory, not to exceed 2 percent of the number of scientists and engineers employed at such laboratory as of the close of the last fiscal year before the fiscal year in which any appointments subject to that numerical limitation are made.

~~(3) SUNSET.—Appointments under this subsection may not be made after December 31, 2019.~~

(~~g~~e) REPORTING REQUIREMENT.—The Secretary of Defense shall submit to the congressional defense committees an annual report on the operation of this section. Each such report shall include, for the period covered by such report—

(1) the total number of individuals appointed under subsection (a)(1) during such period~~;~~; and

(2) the total number of individuals appointed under subsection (a)(2) during such period~~; and~~.

~~(3) the total number of senior scientific technical managers at each STRL as of the end of such period.~~

(~~h~~f) EXCLUSION FROM PERSONNEL LIMITATIONS.—

(1) IN GENERAL.—The director of an STRL shall manage the workforce strength, structure, positions, and compensation of such STRL—

(A) without regard to any limitation on appointments, positions, or funding with respect to such STRL, subject to subparagraph (B); and

(B) in a manner consistent with the budget available with respect to such STRL.

(2) EXCEPTIONS.—Paragraph (1) shall not apply to Senior Executive Service positions (as defined in section 3132(a) of title 5~~, United States Code~~) or scientific and professional positions authorized under section 3104 of such title.

(~~d~~g) DEFINITIONS.—In this section:

(1) The term ‘‘employee’’ has the meaning given that term in section 2105 of title 5~~, United States Code~~.

(2) The term ‘‘veteran’’ has the meaning given that term in section 101 of title 38~~, United States Code~~.

~~SEC. 1107. TEMPORARY AUTHORITIES FOR CERTAIN POSITIONS~~ SENIOR ~~SCIENTIFIC TECHNICAL MANAGERS~~ ~~AT DEPARTMENT OF DEFENSE RESEARCH AND ENGINEERING FACILITIES.~~

~~(a) AUTHORITY TO MAKE DIRECT APPOINTMENTS.—~~

~~(1) CANDIDATES FOR SCIENTIFIC AND ENGINEERING POSITIONS AT SCIENCE AND TECHNOLOGY REINVENTION LABORATORIES.—The director of any Science and Technology Reinvention Laboratory (hereinafter in this section referred to as an ''STRL'') may appoint qualified candidates possessing a bachelor's degree to positions described in paragraph (1) of subsection (b) as an employee in a laboratory described in that paragraph without regard to the provisions of subchapter I of chapter 33 of title 5, United States Code (other than sections 3303 and 3328 of such title).~~

~~(2) VETERAN CANDIDATES FOR SIMILAR POSITIONS AT RESEARCH AND ENGINEERING FACILITIES.—The director of any STRL may appoint qualified veteran candidates to positions described in paragraph (2) of subsection (b) as an employee at a laboratory, agency, or organization specified in that paragraph without regard to the provisions of subchapter I of chapter 33 of title 5, United States Code.~~

~~(3) STUDENTS ENROLLED IN SCIENTIFIC AND ENGINEERING PROGRAMS.—The director of any STRL may appoint qualified candidates enrolled in a program of undergraduate or graduate instruction leading to a bachelor's or an advanced degree in a scientific, technical, engineering or mathematical course of study at an institution of higher education (as that term is defined in section 101 and 102 of the Higher Education Act of 1965 (20 U.S.C. 1001)) to positions described in paragraph (3) of subsection (b) as an employee in a laboratory described in that paragraph without regard to the provisions of subchapter I of chapter 33 of title 5, United States Code (other than sections 3303 and 3328 of such title).~~

~~(4) NONCOMPETITIVE CONVERSION TO PERMANENT APPOINTMENT.—With respect to any student appointed by the director of an STRL under paragraph (3) to a temporary or term appointment, upon graduation from the applicable institution of higher education (as defined in such paragraph), the director may noncompetitively convert such student to a permanent appointment within the STRL without regard to the provisions of subchapter I of chapter 33 of title 5, United States Code (other than sections 3303 and 3328 of such title), provided the student meets all eligibility and Office of Personnel Management qualification requirements for the position.~~

~~(b) COVERED POSITIONS.—~~

~~(1) CANDIDATES FOR SCIENTIFIC AND ENGINEERING POSITIONS.—The positions described in this paragraph are scientific and engineering positions that may be temporary, term, or permanent in any laboratory designated by section 1105(a) of the National Defense Authorization Act for Fiscal Year 2010 (Public Law 111-84; 123 Stat. 2486; 10 U.S.C. 2358 note) as a Department of Defense science and technology reinvention laboratory.~~

~~(2) QUALIFIED VETERAN CANDIDATES.—The positions described in this paragraph are scientific, technical, engineering, and mathematics positions, including technicians, in the following:~~

~~(A) Any laboratory referred to in paragraph (1).~~

~~(B) Any other Department of Defense research and engineering agency or organization designated by the Secretary for purposes of subsection (a)(2).~~

~~(3) CANDIDATES ENROLLED IN SCIENTIFIC AND ENGINEERING PROGRAMS.—The positions described in this paragraph are scientific and engineering positions that may be temporary or term in any laboratory designated by section 1105(a) of the National Defense Authorization Act for Fiscal Year 2010 (Public Law 111–84; 123 Stat. 2486; 10 U.S.C. 2358 note) as a Department of Defense science and technology reinvention laboratory.~~

~~(c) LIMITATION ON NUMBER OF APPOINTMENTS ALLOWABLE IN A CALENDAR YEAR.—The authority under subsection (a) may not, in any calendar year and with respect to any laboratory, agency, or organization described in subsection (b), be exercised with respect to a number of candidates greater than the following:~~

~~(1) In the case of a laboratory described in subsection (b)(1), with respect to appointment authority under subsection (a)(1), the number equal to 6 percent of the total number of scientific and engineering positions in such laboratory that are filled as of the close of the fiscal year last ending before the start of such calendar year.~~

~~(21) In the case of a laboratory, agency, or organization described in subsection (b)(2), with respect to appointment authority under subsection (a)(2), the number equal to 3 percent of the total number of scientific, technical, engineering, mathematics, and technician positions in such laboratory, agency, or organization that are filled as of the close of the fiscal year last ending before the start of such calendar year.~~

~~(32) In the case of a laboratory described in subsection (b)(3), with respect to appointment authority under subsection (a)(3), the number equal to 3 percent of the total number of scientific and engineering positions in such laboratory that are filled as of the close of the fiscal year last ending before the start of such calendar year.~~

~~(d) DEFINITIONS.—In this section:~~

~~(1) The term ''employee'' has the meaning given that term in section 2105 of title 5, United States Code.~~

~~(2) The term ''veteran'' has the meaning given that term in section 101 of title 38, United States Code.~~

~~(e) SUNSET.—Appointments under subsection (a) may not be made after December 31, 2019.~~

~~(f) SENIOR SCIENTIFIC TECHNICAL MANAGERS.—~~

~~(1) ESTABLISHMENT.—There is hereby established in each STRL a category of senior professional scientific and technical positions, the incumbents of which shall be designated as ''senior scientific technical managers'' and which shall be positions classified above GS-15 of the General Schedule, notwithstanding section 5108(a) of title 5, United States Code. The primary functions of such positions shall be—~~

~~(A) to engage in research and development in the physical, biological, medical, or engineering sciences, or another field closely related to the mission of such STRL; and~~

~~(B) to carry out technical supervisory responsibilities.~~

~~(2) APPOINTMENTS.—The positions described in paragraph (1) may be filled, and shall be managed, by the director of the STRL involved, under criteria established~~

~~pursuant to section 342(b) of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103-337; 108 Stat. 2721), relating to personnel demonstration projects at laboratories of the Department of Defense, except that the director of the laboratory involved shall determine the number of such positions at such laboratory, not to exceed 2 percent of the number of scientists and engineers employed at such laboratory as of the close of the last fiscal year before the fiscal year in which any appointments subject to that numerical limitation are made.~~

~~(3) SUNSET.—Appointments under this subsection may not be made after December 31, 2019.~~

~~(g) REPORTING REQUIREMENT.—The Secretary of Defense shall submit to the congressional defense committees an annual report on the operation of this section. Each such report shall include, for the period covered by such report—~~

~~(1) the total number of individuals appointed under subsection (a)(1) during such period;; and~~

~~(2) the total number of individuals appointed under subsection (a)(2) during such period; and~~

~~(3) the total number of senior scientific technical managers at each STRL as of the end of such period.~~

~~(h) EXCLUSION FROM PERSONNEL LIMITATIONS.—~~

~~(1) IN GENERAL.—The director of an STRL shall manage the workforce strength, structure, positions, and compensation of such STRL—~~

~~(A) without regard to any limitation on appointments, positions, or funding with respect to such STRL, subject to subparagraph (B); and~~

~~(B) in a manner consistent with the budget available with respect to such STRL.~~

~~(2) EXCEPTIONS.—Paragraph (1) shall not apply to Senior Executive Service positions (as defined in section 3132(a) of title 5, United States Code) or scientific and professional positions authorized under section 3104 of such title.~~