Section-by-Section Analysis

TITLE I—PROCUREMENT

Sections 101 through 105 would authorize appropriations for fiscal year 2019 for the procurement accounts of the Department of Defense in amounts equal to the budget authority requested in the President's Budget for fiscal year 2019.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Section 201 would authorize appropriations for fiscal year 2019 for the research, development, test, and evaluation accounts of the Department of Defense in amounts equal to the budget authority requested in the President's Budget for fiscal year 2019.

TITLE III—OPERATION AND MAINTENANCE

Subtitle A—Authorization of Appropriations

Section 301 would authorize appropriations for fiscal year 2019 for the Operation and Maintenance accounts of the Department of Defense in amounts equal to the budget authority requested in the President's Budget for fiscal year 2019.

Subtitle B—Logistics and Sustainment

Section 311. This proposal clarifies the definition of depot-level software maintenance, as the current 10 USC Sec 2460 definition is ambiguous. Clarification is needed to ensure understanding and ensure compliance with other 10 USC depot-level related statutes and reporting requirements. The proposed language also excludes from the Sec. 2460 definition of Depot Maintenance all Military Sealift Command (MSC) vessels, which perform non-combat missions. These MSC vessels perform primarily cargo, transport, logistics, and support missions, and are principally configured like civilian, non-military ships, such as the Department of Transportation's Maritime Administration's Ready Reserve Force.

Currently, MSC vessels are hypothetically competing with combat ships for public shipyard dockage. However, because the Navy must meet combat response plans and must prioritize combat ships in the organic shipyards, the Navy contracts for MSC ship maintenance in the private shipyards, and therefore it counts against the statutorily allowable percentage of contract depot maintenance expenditures by non-DoD personnel under the current definition of Depot Maintenance. This proposal addresses the reality that shipyard maintenance of non-combat MSC vessels is more appropriate to be performed in the private sector and this proposal eliminates the adverse effect on the percentage calculation of depot maintenance expenditures performed by non-DoD personnel.

Budgetary Implications: None. This proposal only changes the vessels which count against the allowable statutory percentage of maintenance performed in contract/private depots.

Changes to Existing Law: This proposal would make the following changes to section 2460 of title 10, United States Code:

§2460. Definition of depot-level maintenance and repair

(a) IN GENERAL.—In this chapter, the term "depot-level maintenance and repair" means (except as provided in subsection (b)) material maintenance or repair requiring the overhaul, upgrading, or rebuilding of parts, assemblies, or subassemblies, and the testing and reclamation of equipment as necessary, regardless of the source of funds for the maintenance or repair or the location at which the maintenance or repair is performed. The term includes (1) all aspects of software maintenance ~~classified by the Department of Defense as of July 1, 1995, as depot-level maintenance and repair~~ for fielded software to correct faults, improve performance or other attributes, or adapt the product to a modified environment (including requirements definition, design, coding, integration and test, and all other software engineering-related activities), and (2) interim contractor support or contractor logistics support (or any similar contractor support), to the extent that such support is for the performance of services described in the preceding sentence.

(b) EXCEPTIONS.—(1) The term does not include the procurement of major modifications or upgrades of weapon systems that are designed to improve program performance, ~~or~~ the nuclear refueling or defueling of an aircraft carrier and any concurrent complex overhaul, or repair of vessels of the Military Sealift Command that perform non-combat missions. A major upgrade program covered by this exception could continue to be performed by private or public sector activities.

(2) The term also does not include the procurement of parts for safety modifications. However, the term does include the installation of parts for that purpose.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

Subtitle A—Active Forces

Section 401 would prescribe the personnel strengths for the active forces in the numbers provided for by the budget authority and appropriations requested for the Department of Defense in the President's Budget for fiscal year 2019.

Subtitle B—Reserve Forces

Section 411 would prescribe the end strengths for the Selected Reserve of each reserve component of the Armed Forces in the numbers provided for by the budget authority and appropriations requested for the Department of Defense, and the Department of Homeland Security for the Coast Guard Reserve, in the President's Budget for fiscal year 2019.

Section 412 would prescribe the end strengths for reserve component members on full-time active duty or full-time National Guard duty for the purpose of administering the reserve forces for fiscal year 2019.

Section 413 would prescribe the end strengths for dual-status technicians of the reserve components of the Army and Air Force for fiscal year 2019.

Section 414 would prescribe the maximum number of reserve personnel authorized to be on active duty for operational support.

Subtitle C—Authorization of Appropriations

Section 421 would authorize appropriations for fiscal year 2019 for military personnel.

TITLE V—MILITARY PERSONNEL POLICY

Subtitle A—Officer Personnel Policy Generally

Section 501 would revise the statutory approval authority for non-Joint Qualified Officers to fill a critical joint duty assignment position. Current statute only allows the Secretary of Defense to delegate this approval authority to the Chairman of the Joint Chiefs of Staff. All other Joint Officer Management authorities delegated to the Chairman of the Joint Chiefs of Staff allow for further delegation.

The Chairman of the Joint Chiefs of Staff is responsible for the overall administration and execution of Joint Officer Management. Seven of eight Joint Officer Management authorities delegated to the Chairman of the Joint Chiefs of Staff allow for further delegation. The only Joint Officer Management approval authority which does not allow further delegation is for non-Joint Qualified Officers filling critical joint duty assignment positions. Revision allows the Chairman's designee to approve or disapprove the waiver, thus giving the Chairman more time to focus on higher priority defense initiatives and requirements, as well as allows for a more expedited waiver process for the Service, joint organization, and the military officer.

Budget Implications: None.

Changes to Existing Law: This proposal would make the following changes to section 661 of title 10, United States Code:

TITLE 10, UNITED STATES CODE

§ 661. Management policies for joint qualified officers

* * * * *

(d) NUMBER OF JOINT DUTY ASSIGNMENTS.—(1) The Secretary of Defense shall ensure that approximately one-half of the joint duty assignment positions in grades above major or, in the

case of the Navy, lieutenant commander are filled at any time by officers who have the appropriate level of joint qualification.

(2) The Secretary of Defense, with the advice of the Chairman of the Joint Chiefs of Staff, shall designate an appropriate number of joint duty assignment positions as critical joint duty assignment positions. A position may be designated as a critical joint duty assignment position only if the duties and responsibilities of the position make it important that the occupant be particularly trained in, and oriented toward, joint matters.

(3)(A) Subject to subparagraph (B), a position designated under paragraph (2) may be held only by an officer who—

(i) was designated as joint qualified in accordance with this chapter; or

(ii) was selected for the joint specialty before October 1, 2007.

(B) The Secretary of Defense may waive the requirement in subparagraph (A) with respect to the assignment of an officer to a position designated under paragraph (2). Any such waiver shall be granted on a case-by-case basis. <u>The authority of the Secretary to grant such a waiver may be delegated only to the Chairman of the Joint Chiefs or a designee of the Chairman.</u>

(4) The Secretary of Defense shall ensure that, of those joint duty assignment positions that are filled by general or flag officers, a substantial portion are among those positions that are designated under paragraph (2) as critical joint duty assignment positions.

* * * * *

Section 502. This proposal would amend sections 619 and 14301 of title 10, United States Code, to authorize the Secretary of Defense to allow the Secretaries of the military departments, based on the request of an officer and when deemed to be the best interests of the Service, to remove an officer from consideration by a selection board for promotion to the next higher grade.

The Department would be able to provide an officer more flexibility in determining his or her own career path by allowing the officer to perform career broadening assignments that are in the best interests of the Service without the jeopardizing promotion consideration by allowing him or her to request to "opt out" of consideration by a selection board for promotion to the next higher grade. In an effort to improve talent development and management within the Department, this proposal will ensure that officers, with the approval of the Secretary concerned, are given the flexibility to explore educational and other career broadening opportunities, without being penalized for not meeting the promotion-eligibility criteria in the usual time allotted.

This proposal would not be mandatory, but would provide Secretaries of the Military Departments greater flexibility in managing talent within their Services.

Budget Implications: There are no budget implications to this proposal. Any use of this authority would be conducted within the Military Departments existing budgetary authorities and therefore would not increase Federal outlays.

RESOURCE REQUIREMENTS ($MILLIONS)

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	Appropriation From	Budget Activity	Dash-1 Line Item	Program Element
Army	0	0	0	0	0				
Navy	0	0	0	0	0				
Marine Corps	0	0	0	0	0				
Air Force	0	0	0	0	0				
Total	0	0	0	0	0	--	--	--	--

Changes to Existing Law: This proposal would make the following changes to existing law:

TITLE 10, UNITED STATES CODE

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§ 619. Eligibility for consideration for promotion: time-in-grade and other requirements

(a) TIME-IN-GRADE REQUIREMENTS.—(1) An officer who is on the active-duty list of the Army, Air Force, or Marine Corps and holds a permanent appointment in the grade of second lieutenant or first lieutenant or is on the active-duty list of the Navy and holds a permanent appointment in the grade of ensign or lieutenant (junior grade) may not be promoted to the next higher permanent grade until he has completed the following period of service in the grade in which he holds a permanent appointment:

(A) Eighteen months, in the case of an officer holding a permanent appointment in the grade of second lieutenant or ensign.

(B) Two years, in the case of an officer holding a permanent appointment in the grade of a first lieutenant or lieu-tenant (junior grade), except that the minimum period of service in effect under this subparagraph before October 1, 2008, shall be eighteen months.

(2) Subject to paragraph (4), an officer who is on the active-duty list of the Army, Air Force, or Marine Corps and holds a permanent appointment in a grade above first lieutenant or is on the active-duty list of the Navy and holds a permanent appointment in a grade above lieutenant (junior grade) may not be considered for selection for promotion to the next higher permanent grade until he has completed the following period of service in the grade in which he holds a permanent appointment:

(A) Three years, in the case of an officer of the Army, Air Force, or Marine Corps holding a permanent appointment in the grade of captain, major, or lieutenant colonel or of an officer of the Navy holding a permanent appointment in the grade of lieutenant, lieutenant commander, or commander.

(B) One year, in the case of an officer of the Army, Air Force, or Marine Corps holding a permanent appointment in the grade of colonel or brigadier general or of an officer of the Navy holding a permanent appointment in the grade of captain or rear admiral (lower half).

(3) When the needs of the service require, the Secretary of the military department concerned may prescribe a longer period of service in grade for eligibility for promotion, in the case of officers to whom paragraph (1) applies, or for eligibility for consideration for promotion, in the case of officers to whom paragraph (2) applies.

(4) The Secretary of the military department concerned may waive paragraph (2) to the extent necessary to assure that officers described in subparagraph (A) of such paragraph have at least two opportunities for consideration for promotion to the next higher grade as officers below the promotion zone.

(5) In computing service in grade for purposes of this section, service in a grade held as a result of assignment to a position is counted as service in the grade in which the officer would have served except for such assignment or appointment.

(b) CONTINUED ELIGIBILITY FOR CONSIDERATION FOR PROMOTION OF OFFICERS WHO HAVE PREVIOUSLY FAILED OF SELECTION.—(1) Except as provided in paragraph (2), an officer who has failed of selection for promotion to the next higher grade remains eligible for consideration for promotion to that grade as long as he continues on active duty in other than a retired status and is not promoted.

(2) Paragraph (1) does not apply to a regular officer who is ineligible for consideration for promotion under section 631(c) of this title or to a reserve officer who has failed of selection for promotion to the grade of captain or, in the case of an officer of the Navy, lieutenant for the second time.

(c) OFFICERS TO BE CONSIDERED BY PROMOTION BOARDS.—(1) Each time a selection board is convened under section 611(a) of this title for consideration of officers in a competitive category for promotion to the next higher grade, each officer in the promotion zone (except as provided under paragraph (2)), and each officer above the promotion zone, for the grade and competitive category under consideration shall be considered for promotion.

(2) The Secretary of the military department concerned--

(A) may, in accordance with standards and procedures prescribed by the Secretary of Defense in regulations which shall apply uniformly among the military departments, limit the officers to be considered by a selection board from below the promotion zone to those officers who are determined to be exceptionally well qualified for promotion;

(B) may, by regulation, prescribe a period of time, not to exceed one year, from the time an officer is placed on the active-duty list during which the officer shall be ineligible for consideration for promotion; and

(C) may, by regulation, preclude from consideration by a selection board by which he would otherwise be eligible to be considered, an officer who has an established separation date that is within 90 days after the date the board is convened.

(3) (A) The Secretary of Defense may authorize the Secretaries of the military departments to preclude from consideration by selection boards for promotion to the grade of brigadier general or rear admiral (lower half) officers in the grade of colonel or, in the case of the Navy, captain who—

(i) have been considered and not selected for promotion to the grade of brigadier general or rear admiral (lower half) by at least two selection boards; and

(ii) are determined, in accordance with standards and procedures prescribed pursuant to subparagraph (B), as not being exceptionally well qualified for promotion.

(B) If the Secretary of Defense authorizes the Secretaries of the military departments to have the authority de-scribed in subparagraph (A), the Secretary shall prescribe by regulation the

standards and procedures for the exercise of such authority. Those regulations shall apply uniformly among the military departments and shall include the following provisions:

(i) A requirement that the Secretary of a military department may exercise such authority in the case of a particular selection board only if the Secretary of Defense approves the exercise of that authority for that board.

(ii) A requirement that an officer may be precluded from consideration by a selection board under this paragraph only upon the recommendation of a preselection board of officers convened by the Secretary of the military department concerned and composed of at least three officers all of whom are serving in a grade higher than the grade of such officer.

(iii) A requirement that such a preselection board may not recommend that an officer be precluded from such consideration unless the Secretary concerned has given the officer advance written notice of the convening of such board and of the military records that will be considered by the board and has given the officer a reasonable period before the convening of the board in which to submit comments to the board.

(iv) A requirement that the Secretary convening such a preselection board shall provide general guidance to the board in accordance with standards and procedures prescribed by the Secretary of Defense in those regulations.

(v) A requirement that the preselection board may recommend that an officer be precluded from consideration by a selection board only on the basis of the general guidance provided by the Secretary of the military department concerned, information in the officer's official military personnel records that has been described in the notice provided the officer as required pursuant to clause (iii), and any communication to the board received from that officer before the board convenes.

(d) CERTAIN OFFICERS NOT TO BE CONSIDERED.— A selection board convened under section 611(a) of this title may not consider for promotion to the next higher grade any of the following officers:

(1) An officer whose name is on a promotion list for that grade as a result of his selection for promotion to that grade by an earlier selection board convened under that section.

(2) An officer who is recommended for promotion to that grade in the report of an earlier selection board convened under that section, in the case of such a report that has not yet been approved by the President.

(3) An officer of the Marine Corps who is an officer designated for limited duty and who holds a grade above major.

(4) An officer in the grade of first lieutenant or, in the case of the Navy, lieutenant (junior grade) who is on an approved all-fully-qualified-officers list under section 624(a)(3) of this title.

(5) An officer in the grade of captain or, in the case of the Navy, lieutenant who is not a citizen of the United States.

(6) An officer excluded under subsection (e).

(e) AUTHORITY TO ALLOW OFFICERS TO OPT OUT OF SELECTION BOARD CONSIDERATION.—(1) The Secretary of Defense may authorize the Secretary of a military department to provide that an officer under the jurisdiction of that Secretary may, upon the

officer's request and with the approval of the Secretary concerned, be excluded from consideration by a selection board convened under section 611(a) of this title to consider officers for promotion to the next higher grade.

(2) The Secretary concerned may only approve such a request if—

(A) the basis for the request is to allow an officer to complete a broadening assignment, advanced education, another assignment of significant value to the Department, or a career progression requirement delayed by the assignment or education;

(B) the Secretary concerned determines the exclusion from consideration is in the best interest of the military department concerned; and

(C) the officer has not previously failed of selection for promotion to the grade for which the officer requests the exclusion from consideration.

* * * * *

§ 14301. Eligibility for consideration for promotion: general rules

(a) ONE-YEAR RULE.—An officer is eligible under this chapter for consideration for promotion by a promotion board convened under section 14101(a) of this title only if—

(1) the officer is on the reserve active-status list of the Army, Navy, Air Force, or Marine Corps; and

(2) during the one-year period ending on the date of the convening of the promotion board the officer has continuously performed service on either the reserve active-status list or the active-duty list (or on a combination of both lists).

(b) REQUIREMENT FOR CONSIDERATION OF ALL OFFICERS IN AND ABOVE THE ZONE.—Whenever a promotion board (other than a vacancy promotion board) is convened under section 14101(a) of this title for consideration of officers in a competitive category who are eligible under this chapter for consideration for promotion to the next higher grade, each officer in the promotion zone, and each officer above the promotion zone, for that grade and competitive category shall be considered for promotion.

(c) ~~PREVIOUSLY SELECTED OFFICERS NOT ELIGIBLE~~ CERTAIN OFFICERS NOT TO BE CONSIDERED.—A promotion board convened under section 14101(a) of this title may not consider for promotion to the next higher grade any of the following officers:

(1) An officer whose name is on a promotion list for that grade as a result of recommendation for promotion to that grade by an earlier selection board convened under that section or section 14502 of this title or under chapter 36 of this title.

(2) An officer who is recommended for promotion to that grade in the report of an earlier selection board convened under a provision referred to in paragraph (1), in the case of such a report that has not yet been approved by the President.

(3) An officer who has been approved for Federal recognition by a board convened under section 307 of title 32 and nominated by the President for promotion to that grade as a reserve of the Army or of the Air Force as the case may be, if that nomination is pending before the Senate.

(4) An officer who has been nominated by the President for promotion to that grade under any other provision of law, if that nomination is pending before the Senate.

(5) An officer in the grade of first lieutenant or, in the case of the Navy, lieutenant (junior grade) who is on an approved all-fully-qualified-officers list under section 14308(b)(4) of this title.

(6) An officer excluded under subsection (j).

(d) OFFICERS BELOW THE ZONE.—The Secretary of the military department concerned may, by regulation, prescribe procedures to limit the officers to be considered by a selection board from below the promotion zone to those officers who are determined to be exceptionally well qualified for promotion. The regulations shall include criteria for determining which officers below the promotion zone are exceptionally well qualified for promotion.

(e) CERTAIN RESERVE OFFICERS OF THE AIR FORCE.—A reserve officer of the Air Force who (1) is in the Air National Guard of the United States and holds the grade of lieutenant colonel, colonel, or brigadier general, or (2) is in the Air Force Reserve and holds the grade of colonel or brigadier general, is not eligible for consideration for promotion by a mandatory promotion board convened under section 14101(a) of this title.

(f) NONCONSIDERATION OF OFFICERS SCHEDULED FOR REMOVAL FROM RESERVE ACTIVE-STATUS LIST.—The Secretary of the military department concerned may, by regulation, provide for the exclusion from consideration for promotion by a promotion board of any officer otherwise eligible to be considered by the board who has an established date for removal from the reserve active-status list that is not more than 90 days after the date on which the selection board for which the officer would otherwise be eligible is to be convened.

(g) BRIGADIER GENERALS.—(1) An officer who is a reserve component brigadier general of the Army or the Air Force who is not eligible for consideration for promotion under subsection (a) because the officer is not on the reserve active status list (as required by paragraph (1) of that subsection for such eligibility) is nevertheless eligible for consideration for promotion to the grade of major general by a promotion board convened under section 14101(a) of this title if—

(A) as of the date of the convening of the promotion board, the officer has been in an inactive status for less than one year; and

(B) immediately before the date of the officer's most recent transfer to an inactive status, the officer had continuously served on the reserve active status list or the active-duty list (or a combination of the reserve active status list and the active-duty list) for at least one year.

(2) An officer who is a reserve component brigadier general of the Army or the Air Force who is on the reserve active status list but who is not eligible for consideration for promotion under subsection (a) because the officer's service does not meet the one-year-of-continuous-service requirement under paragraph (2) of that subsection is nevertheless eligible for consideration for promotion to the grade of major general by a promotion board convened under section 14101(a) of this title if—

(A) the officer was transferred from an inactive status to the reserve active status list during the one-year period preceding the date of the convening of the promotion board;

(B) immediately before the date of the officer's most recent transfer to an active status, the officer had been in an inactive status for less than one year; and

(C) immediately before the date of the officer's most recent transfer to an inactive status, the officer had continuously served for at least one year on the reserve active status list or the active-duty list (or a combination of the reserve active status list and the active-duty list).

(h) OFFICERS ON EDUCATIONAL DELAY.—An officer on the reserve active-status list is ineligible for consideration for promotion, but shall remain on the reserve active-status list, while the officer—

(1) is pursuing a program of graduate level education in an educational delay status approved by the Secretary concerned; and

(2) is receiving from the Secretary financial assistance in connection with the pursuit of that program of education while in that status.

(i) RESERVE OFFICERS EMPLOYED AS MILITARY TECHNICIAN (DUAL STATUS).—A reserve officer of the Army or Air Force employed as a military technician (dual status) under section 10216 of this title who has been retained beyond the mandatory removal date for years of service pursuant to subsection (f) of such section or section 14702(a)(2) of this title is not eligible for consideration for promotion by a mandatory promotion board convened under section 14101(a) of this title.

(j) AUTHORITY TO ALLOW OFFICERS TO OPT OUT OF SELECTION BOARD CONSIDERATION.—(1) The Secretary of Defense may authorize the Secretary of a military department to provide that an officer under the jurisdiction of that Secretary may, upon the officer's request and with the approval of the Secretary concerned, be excluded from consideration by a selection board convened under section 14101(a) of this title to consider officers for promotion to the next higher grade.

(2) The Secretary concerned may only approve such a request if—

(A) the basis for the request is to allow an officer to complete a broadening assignment, advanced education, another assignment of significant value to the Department, or a career progression requirement delayed by the assignment or education;

(B) the Secretary concerned determines the exclusion from consideration is in the best interest of the military department concerned; and

(C) the officer has not previously failed of selection for promotion to the grade for which the officer requests the exclusion from consideration.

* * * * * *

Subtitle B—Reserve Component Management

Section 511 would authorize the Secretaries of the military departments to defer

promotion consideration for Reserve Component (RC) service members in a non-participatory (membership points only) status. This would significantly reduce the potential loss of trained assets, in whom the Department of Defense (DoD) has heavily invested, when an individual desires to re-affiliate with the military following their election to "suspend" their military career.

Currently, section 14301 of title 10, United States Code, requires service members identified on the Reserve Active Status List (RASL) to be considered for promotion to the next higher grade. This includes certain categories of reservists on the RASL who are in the Individual Ready Reserve (IRR) and the Standby Reserve, by DoD guidance, and who remain vulnerable for promotion consideration, but are not actively participating (and, thus, are receiving membership-only points).

Most officers upon release from the Active Component (AC) are transferred to the IRR without affiliating in a position with an RC that allows for participation (either paid or non-paid). In some instances, these trained assets have chosen to temporarily suspend their military career and voluntarily transferred to the IRR for a variety of reasons; others may have secured a civilian opportunity that affords them "key employee" status requiring transfer to the Standby Reserve where they are ineligible for participation. Many of these individuals may have already received their first promotion deferment prior to their transfer to the IRR.

After deciding to resume their active service, some service members learn of their ineligibility due to being twice deferred for promotion. Others, who received their first deferment while in the IRR, potentially lack sufficient time upon returning to participation status -- due to timing prior to their next promotion consideration -- to demonstrate the potential to serve in the next higher grade and thus are discharged upon receipt of their second deferral for promotion (because twice failure of selection for promotion results in removal from the RASL). This serves as an obstacle to the Continuum of Service and reduces opportunities to re-affiliate trained and experienced Airmen should they seek to return to active status in any of the Air Force components.

Individuals assigned to the IRR are required to be screened to the Inactive Status List (IASL) after two years. Current law prevents promotion consideration of those assigned to the IASL, thereby preventing their removal from military affiliation until said time as defined by current policy and affording the opportunity to return to participation status at a later date. Unfortunately, under current practice the Department loses these trained and experienced Airmen before their mandatory transfer to the IASL.

Providing the RCs flexibility to remove from promotion consideration those individuals whom are least competitive during a period in which they are receiving membership-only points, would enable the Department to capitalize on these pre-trained assets and their potential civilian skill sets should the individual elect to return to military service.

Budget Implications: This proposal would result in a cost savings to the Department. The Air Force Reserve holds three boards per year for members in the non-participating IRR and the cost savings to pay and travel for board members and manpower costs at the personnel headquarters is reflected in the following table.

RESOURCE REQUIREMENTS ($MILLIONS)									
	FY 2019	**FY 2020**	**FY 2021**	**FY 2022**	**FY 2023**	**Appropriation From**	**Budget Activity**	**Dash-1 Line Item**	**Program Element**
Air Force Reserve	-.181	-.186	-.192	-.197	-.203	Reserve Personnel, Air Force	01	80	
Navy does not intend to use this authority, which would have been funded in the following account: Reserve Personnel, Navy									
Marine Corps does not intend to use this authority, which would have been funded in the following account: Reserve Personnel, Marine Corps									
Army does not intend to use this authority, which would have been funded in the following accounts: Reserve Personnel, Army and National Guard Personnel, Army.									
Air National Guard does not intend to use this authority, which would have been funded in the following account: National Guard Personnel, Air Force.									
The proposed change only applies to Secretaries of the military departments. Thus, it is not applicable in its current language to the Coast Guard Reserve.									
Total	-.181	-.186	-.192	-.197	-.203				

Changes to Existing Law: This proposal would make the following change to section 14301 of title 10, United States Code:

§ 14301. Eligibility for consideration for promotion: general rules

(a) – (i) * * *

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(j) CERTAIN OFFICERS NOT TO BE CONSIDERED FOR SELECTION FOR PROMOTION.—The Secretary of the military department concerned may provide that an officer who is in an active status, but in a duty status in which the only points the officer accrues under section 12732(a)(2) of this title are pursuant to subparagraph (C)(i) of that section (relating to membership in a reserve component), shall not be considered for selection for promotion until completion of two years of service in such duty status. Any such officer may remain on the reserve active-status list.

Section 512 would permit Army National Guard of the United States (ARNGUS) and United States Army Reserve (USAR) officers on active duty to serve on the Army Reserve Forces Policy Committee (Committee).

Current law prohibits the ARNGUS and USAR members of the Committee from being on active duty. This prohibition limits the Secretary of the Army's authority to appoint the best qualified officers to review and comment on major policy matters directly affecting the reserve components and the mobilization preparedness of the Army. The nature of reserve component service has materially changed since the membership provision was enacted. The current operational environment has required the integration of the Army reserve components into an operational part of the total force.

The nature of reserve service requires periodic tours on active duty to fully develop reserve component leaders and integrate them into operational and institutional leadership structures. The best candidates for appointment to the Committee have broad experience, earned both on active duty and in traditional reserve component status. Likewise, the flexibility to select the best officer from within the Committee to serve as the Chairman is also increased by striking the same "not on active duty" restriction. The current provision necessitates terminating membership on the Committee if a member is placed on active duty. Termination of membership on the Committee, due to the performance of active duty, creates personnel turbulence that undermines the ability of the Committee to perform its mission.

The proposal provides the Secretary of the Army flexibility to appoint to and retain on the Committee the best qualified reserve component officers, regardless of whether the officers are on active duty or are not on active duty.

Budget Implications: This proposal has no budget implications as it simply provides the Secretary of the Army greater flexibility to appoint to and retain on the Committee reserve component members.

Changes to Existing Law: This proposal would make the following changes to section 10302 of title 10, United States Code:

§10302. Army Reserve Forces Policy Committee

(a) There is in the Office of the Secretary of the Army an Army Reserve Forces Policy Committee. The Committee shall review and comment upon major policy matters directly affecting the reserve components and the mobilization preparedness of the Army. The Committee's comments on such policy matters shall accompany the final report regarding any such matters submitted to the Secretary of the Army and the Chief of Staff.

(b) The Committee consists of officers in the grade of colonel or above, as follows:

(1) five members of the Regular Army on duty with the Army General Staff;

(2) five members of the Army National Guard of the United States ~~not on active duty~~; and

(3) five members of the Army Reserve ~~not on active duty~~.

(c) The members of the Committee shall select the Chairman from among the members <u>of the reserve components</u> on the Committee ~~not on active duty~~.

(d) A majority of the members of the Committee shall act whenever matter affecting both the Army National Guard of the United States and Army Reserve are being considered. However, when any matter solely affecting one of the reserve components of the Army is being considered, it shall be acted upon only by the Subcommittee on Army National Guard Policy or the Subcommittee on Army Reserve Policy, as appropriate.

(e) The Subcommittee on Army National Guard Policy consists of the members of the Committee other than the Army Reserve members.

(f) The Subcommittee on Army Reserve Policy consists of the members of the Committee other than the Army National Guard members.

(g) Membership on the Committee is determined by the Secretary of the Army and is for a minimum period of three years. Except in the case of members of the Committee from the Regular Army, the Secretary of the Army, when appointing new members, shall insure that among the officers of each component on the Committee there will at all times be two or more members with more than one year of continuous service on the Committee.

(h) There shall be not less than 10 officers of the Army National Guard of the United States and the Army Reserve on duty with the Army Staff, one-half of whom shall be from each of those components. These officers shall be considered as additional members of the Army Staff while on that duty.

Subtitle C—Member Transition

Section 521 repeals section 1143a of title 10, United States Code, and repeals subsection (b)(8) of section 1144 of title 10, United States Code, to strike all references to the Department of Defense's program to encourage members and former members of the Armed Forces to enter into Public and Community Service (PACS) jobs after discharge or release from active duty. The PACS legislation, established in 1992 by Public Law 102-484 (the National Defense Authorization Act of Fiscal Year 1993), was enacted to assist transitioning Service members and veterans in finding meaningful public and community service job opportunities. The Defense Manpower Data Center's data show that the only personnel to have used PACS were Service members with less than 20 years of active duty service who retired between October 23, 1992 and September 1, 2002. These members likely used the PACS because, through section 4464 of Public Law 102-484, if they attained post-military employment in a DoD-approved PACS organization, their retired or retainer pay could be increased until the point in which they would have attained 20 years of creditable service. Ever since the authorization for those members to receive creditable service via employment in a PACS organization expired in 2007, the Department has not received any new applications and has no expectations of receiving applications, considering that 23 years have passed without a single application outside of this special creditable service provision. Furthermore, through congressional modifications to the Transition Assistance Program (TAP) via Public Law 112-56, DoD and its interagency partners have fulfilled the originally intended responsibility of this law – to encourage public and community service employment, to counsel qualified personnel and match them with interested organizations – and have fulfilled additional responsibilities to advance the intent of the law. Therefore, the Department believes that the law is no longer required.

Specifically, section 1143a(a) requires the Secretary of Defense to implement a program to encourage current and former members of the Armed Forces to enter into public and community service jobs after discharge or release from active duty. Through TAP, Service members are encouraged through a three-day Department of Labor Employment Workshop to evaluate ALL job opportunities that appeal to them, not just public and community service jobs. The Department believes the proper emphasis for transitioning Service members and veterans should be finding gainful post-military employment, not specifically employment in the public and community service sectors.

Section 1143a(b) requires the Secretary of Defense to maintain a registry of current and former Service members discharged or released from active duty who request registration for

assistance in pursuing public and community service job opportunities, including the member's job skills, qualifications, and experience. Through Public Law 101-510 and as codified in DoD Instruction 1332.36 and 1332.37, these three elements (job skills, qualifications, and experience) are automatically captured in every Service member's Verification of Military Experience and Training (VMET) profile. The Department believes this tool provides sufficient means for members to document their job skills, qualifications, and experience. Having a second registry specifically for public and community services is redundant.

Section 1143a(c) requires the Secretary of Defense to maintain a registry of public service and community service organizations, including information on each organization's location, size, positions and position descriptions, points of contact, and application procedures. Further, section 1143a(d) requires the Secretary to actively match registered personnel with registered public and community service organizations. Through a number of commercially free resources with platforms such as LinkedIn, Monster.com, and USAJobs, Service members can build profiles and post resumes with all these elements. Employers can then search these profiles and resumes to identify veterans with skill sets applicable to employment for their organization. Through the Transition Assistance Program's Transition GPS (Goals, Plans, Success) curriculum, especially the three-day Department of Labor Employment Workshop, Service members are provided the skills and tools to build a resume and informed about profile and resume building platforms they can access free of charge. Employers can post employment opportunities, including public and community service jobs at the nearly 2,500 Department of Labor American Job Centers located throughout the United States. As such, the Department believes commercially free resources and the Department of Labor American Job Centers provide sufficient means for organizations to register public and community service job opportunities and that the variety of job board platforms provide sufficient means to connect to veterans.

Section 1143a(d) further requires the Secretary of Defense to offer registered personnel counseling services regarding public and community service organization procedures and techniques for qualifying for and applying to jobs in such organizations. Through its Employment Workshop, the Department of Labor provides information to all transitioning Service members with free counseling services and job application assistance at approximately 2,500 American Job Centers across the nation. Although these centers do not specifically focus on public and community service organizations, the counselors can assist transitioning Service members, veterans, and their spouses with finding employment in these sectors if that is their career aspiration and desire. However, again, the Department believes encouraging public and community service organizations over other organizations is less effective and desirable than generally encouraging gainful post-military employment, regardless of sector.

Section 1143a(e) requires the Secretary of Defense to consult closely with the Secretary of Labor, the Secretary of Veterans Affairs, the Secretary of Education, the Director of the Office of Personnel Management, appropriate representatives of State and local governments, and appropriate representatives of businesses and nonprofit organizations in the private sector. Through the TAP governance structure, the Secretary of Labor's Advisory Committee on Veterans' Employment, Training, and Employer Outreach, and other forums, the Department partners with these federal organizations, including with state and local governments, and

appropriate representatives of businesses and nonprofit organizations in the private sector, who are all engaged with and connected to the Department of Labor's American Job Centers. As such, legislation requiring consultation specifically to promote public and community service organizations is unnecessary.

Finally, should section 1143a of title 10, United States Code, be repealed, then section 1144(b)(8) of title 10, United States Code, should also be repealed, as this section requires the Secretary of Defense to work in conjunction with the Secretaries of Labor, Homeland Security, and Veterans Affairs to provide to transitioning Service members and spouses counseling and assistance in identifying and obtaining employment opportunities for public and community service jobs. Pre-separation counseling on identifying and obtaining employment opportunities for all job sectors – and not just public and community service sector jobs – is required in TAP in accordance with Public Law 112-56.

Budget Implications: This proposal has a neutral budgetary impact. After the authorization through section 4464 of Public Law 102-484 for members to receive creditable service via employment in a PACS organization expired in 2007, the Department, in a cost-saving effort, has not funded personnel at the Defense Manpower Data Center to maintain PACS registries because of the predicted lack of interest in the program. The savings of the roughly 0.5 FTEs per year were assumed by the Defense Manpower Data Center. There was negligible cost to fund the hardware and software requirements to maintain the registries. As such, repealing the law would have no budget impact and would simply align legislation with current activities. Should Congress decline to repeal section 1143a of title 10, United States Code, and subsection (b)(8) of section 1144 of title 10, the cost to reestablish the registries to align with current activities with existing legislation would be substantial.

Changes to Existing Law: This proposal would make the following changes to section 1143a of title 10, United States Code, and section 1144 of title 10, United States Code:

~~**§ 1143a. Encouragement of postseparation public and community service**~~

~~(a) In General. The Secretary of Defense shall implement a program to encourage members and former members of the armed forces to enter into public and community service jobs after discharge or release from active duty.~~

~~(b) Personnel Registry. The Secretary shall maintain a registry of members and former members of the armed forces discharged or released from active duty who request registration for assistance in pursuing public and community service job opportunities. The registry shall include information on the particular job skills, qualifications, and experience of the registered personnel.~~

~~(c) Registry of Public Service and Community Service Organizations. The Secretary shall also maintain a registry of public service and community service organizations. The registry shall contain information regarding each organization, including its location, its size, the types of public and community service positions in the organization, points of contact, procedures for applying for such positions, and a description of each such position that is likely to be available. Any such organization may request registration under this subsection and, subject to guidelines prescribed by the Secretary, be registered.~~

(d) Assistance To Be Provided.-(1) The Secretary shall actively attempt to match personnel registered under subsection (b) with public and community service job opportunities and to facilitate job-seeking contacts between such personnel and the employers offering the jobs.

(2) The Secretary shall offer personnel registered under subsection (b) counselling services regarding-

(A) public service and community service organizations; and

(B) procedures and techniques for qualifying for and applying for jobs in such organizations.

(3) The Secretary may provide personnel registered under subsection (b) with access to the interstate job bank program of the United States Employment Service if the Secretary determines that such program meets the needs of separating members of the armed forces for job placement.

(e) Consultation Requirement. In carrying out this section, the Secretary shall consult closely with the Secretary of Labor, the Secretary of Veterans Affairs, the Secretary of Education, the Director of the Office of Personnel Management, appropriate representatives of State and local governments, and appropriate representatives of businesses and nonprofit organizations in the private sector.

(f) Delegation.-The Secretary, with the concurrence of the Secretary of Labor, may designate the Secretary of Labor as the executive agent of the Secretary of Defense for carrying out all or part of the responsibilities provided in this section. Such a designation does not relieve the Secretary of Defense from the responsibility for the implementation of the provisions of this section.

(g) Definitions.-In this section, the term "public service and community service organization" includes the following organizations:

(1) Any organization that provides the following services:

(A) Elementary, secondary, or postsecondary school teaching or administration.

(B) Support of such teaching or school administration.

(C) Law enforcement.

(D) Public health care.

(E) Social services.

(F) Any other public or community service.

(2) Any nonprofit organization that coordinates the provision of services described in paragraph (1).

(h) Coast Guard. This section shall apply to the Coast Guard in the same manner and to the same extent as it applies to the Department of Defense. The Secretary of Homeland Security shall implement the requirements of this section for the Coast Guard when it is not operating as a service in the Navy.

§1144. Employment assistance, job training assistance, and other transitional services: Department of Labor

(a) In General.-(1) The Secretary of Labor, in conjunction with the Secretary of Defense, the Secretary of Homeland Security, and the Secretary of Veterans Affairs, shall establish and maintain a program to furnish counseling, assistance in identifying employment and training opportunities, help in obtaining such employment and training, and other related information and

services to members of the armed forces under the jurisdiction of the Secretary concerned who are being separated from active duty and the spouses of such members. Such services shall be provided to a member within the time periods provided under paragraph (3) of section 1142(a) of this title, except that the Secretary concerned shall not provide preseparation counseling to a member described in paragraph (4)(A) of such section.

(2) The Secretary of Defense, the Secretary of Homeland Security, and the Secretary of Veterans Affairs shall cooperate with the Secretary of Labor in establishing and maintaining the program under this section.

(3) The Secretaries referred to in paragraph (1) shall enter into a detailed agreement to carry out this section.

(b) Elements of Program.-In establishing and carrying out a program under this section, the Secretary of Labor shall do the following:

(1) Provide information concerning employment and training assistance, including (A) labor market information, (B) civilian work place requirements and employment opportunities, (C) instruction in resumé preparation, and (D) job analysis techniques, job search techniques, and job interview techniques.

(2) In providing information under paragraph (1), use experience obtained from implementation of the pilot program established under section 408 of Public Law 101–237.

(3) Provide information concerning Federal, State, and local programs, and programs of military and veterans' service organizations, that may be of assistance to such members after separation from the armed forces, including, as appropriate, the information and services to be provided under section 1142 of this title.

(4) Inform such members that the Department of Defense and the Department of Homeland Security are required under section 1143(a) of this title to provide proper certification or verification of job skills and experience acquired while on active duty that may have application to employment in the civilian sector for use in seeking civilian employment and in obtaining job search skills.

(5) Provide information and other assistance to such members in their efforts to obtain loans and grants from the Small Business Administration and other Federal, State, and local agencies.

(6) Provide information about the geographic areas in which such members will relocate after separation from the armed forces, including, to the degree possible, information about employment opportunities, the labor market, and the cost of living in those areas (including, to the extent practicable, the cost and availability of housing, child care, education, and medical and dental care).

(7) Work with military and veterans' service organizations and other appropriate organizations in promoting and publicizing job fairs for such members.

~~(8) Provide information regarding the public and community service jobs program carried out under section 1143a of this title.~~

~~(9)~~ (8) Provide information about disability-related employment and education protections.

~~(10)~~ (9) Provide information regarding the required deduction, pursuant to subsection (h) of section 1175a of this title, from disability compensation paid by the Secretary of Veterans Affairs of amounts equal to any voluntary separation pay received by the member under such section.

~~(11)~~ (10) Acting through the Secretary of the department in which the Coast Guard is operating, provide information on career and employment opportunities available to members with transportation security cards issued under section 70105 of title 46.

(c) Participation.-(1) Except as provided in paragraph (2), the Secretary of Defense and the Secretary of Homeland Security shall require the participation in the program carried out under this section of the members eligible for assistance under the program.

(2) The Secretary of Defense and the Secretary of Homeland Security may, under regulations such Secretaries shall prescribe, waive the participation requirement of paragraph (1) with respect to-

(A) such groups or classifications of members as the Secretaries determine, after consultation with the Secretary of Labor and the Secretary of Veterans Affairs, for whom participation is not and would not be of assistance to such members based on the Secretaries' articulable justification that there is extraordinarily high reason to believe the exempted members are unlikely to face major readjustment, health care, employment, or other challenges associated with transition to civilian life; and

(B) individual members possessing specialized skills who, due to unavoidable circumstances, are needed to support a unit's imminent deployment.

(d) Use of Personnel and Organizations.-In carrying out the program established under this section, the Secretaries may-

(1) provide, as the case may be, for the use of disabled veterans outreach program specialists, local veterans' employment representatives, and other employment service personnel funded by the Department of Labor to the extent that the Secretary of Labor determines that such use will not significantly interfere with the provision of services or other benefits to eligible veterans and other eligible recipients of such services or benefits;

(2) use military and civilian personnel of the Department of Defense and the Department of Homeland Security;

(3) use personnel of the Veterans Benefits Administration of the Department of Veterans Affairs and other appropriate personnel of that Department;

(4) use representatives of military and veterans' service organizations;

(5) enter into contracts with public entities;

(6) enter into contracts with private entities, particularly with qualified private entities that have experience with instructing members of the armed forces eligible for assistance under the program carried out under this section on-

(A) private sector culture, resume writing, career networking, and training on job search technologies;

(B) academic readiness and educational opportunities; or

(C) other relevant topics; and

(7) take other necessary action to develop and furnish the information and services to be provided under this section.

(e) Participation in Apprenticeship Programs.-As part of the program carried out under this section, the Secretary of Defense and the Secretary of Homeland Security may permit a member of the armed forces eligible for assistance under the program to participate in an apprenticeship program registered under the Act of August 16, 1937 (commonly known as the

"National Apprenticeship Act"; 50 Stat. 664, chapter 663; 29 U.S.C. 50 et seq.), or a pre-apprenticeship program that provides credit toward a program registered under such Act, that provides members of the armed forces with the education, training, and services necessary to transition to meaningful employment that leads to economic self-sufficiency.

(f) Additional Training Opportunities.-(1) As part of the program carried out under this section, the Secretary of Defense and the Secretary of the Department in which the Coast Guard is operating, when the Coast Guard is not operating within the Department of the Navy, shall permit a member of the armed forces eligible for assistance under the program to elect to receive additional training in any of the following subjects:

(A) Preparation for higher education or training.

(B) Preparation for career or technical training.

(C) Preparation for entrepreneurship.

(D) Other training options determined by the Secretary of Defense and the Secretary of the Department in which the Coast Guard is operating, when the Coast Guard is not operating within the Department of the Navy.

(2) The Secretary of Defense and the Secretary of the Department in which the Coast Guard is operating, when the Coast Guard is not operating within the Department of the Navy, shall ensure that a member of the armed forces who elects to receive additional training in subjects available under paragraph (1) is able to receive the training.

Section 522 would eliminate the requirement to provide a mental health assessment (MHA) to a member 180 days to 18 months and 18 months to 30 months after redeployment if the individual has been discharged.

Section 1074m(d) of title 10, United States Code, currently ceases the requirement to provide a MHA to a member 90 to 180 days after redeployment if the individual has been discharged; however, the cessation of the requirement after a member has been discharged does not apply to the MHAs required at 180 days to 18 months and 18 months to 30 months. The statute originally provided for cessation of all required post-deployment MHAs after an individual's discharge. Subsequent amendments to 10 USC 1074m(a), included in the NDAA for FY2015, both added and redesignated subparagraphs under subsection (a)(1), which has now caused this misalignment between subsection (a) (on the timeframes for required mental health assessments) and subsection (d) (regarding cessation of assessments).

In order to resolve the discrepancy in cessation of required mental health assessments after discharge, this proposal amends section 1074m(d) to include a reference to the requirement in section 1074m(a)(1)(D) for MHAs at 180 days to 18 months and 18 months to 30 months after redeployment, thereby eliminating the application of such requirement in the case of an individual who has been discharged.

Budgetary Implications: No impact. This proposal reduces the MHA requirement to align statute with practice.

RESOURCE REQUIREMENTS ($MILLIONS)

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	Appropriation From	Budget Activity	Dash-1 Line Item	Program Element
ARNG	0	0	0	0	0				
USAR	0	0	0	0	0				
ANG	0	0	0	0	0				
USAFR	0	0	0	0	0				
USNR	0	0	0	0	0				
Total	0	0	0	0	0	**DHP**			

Changes to Existing Law: This section would make the following changes in provisions of existing law:

TITLE 10, UNITED STATES CODE

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§ 1074m. Mental health assessments for members of the armed forces deployed in support of a contingency operation

(a) Mental Health Assessments.-(1) The Secretary of Defense shall provide a person-to-person mental health assessment for each member of the armed forces who is deployed in support of a contingency operation as follows:

(A) Once during the period beginning 120 days before the date of the deployment.

(B) Until January 1, 2019, once during each 180-day period during which a member is deployed.

(C) ~~Once~~ Subject to subsection (d), once during the period beginning 90 days after the date of redeployment from the contingency operation and ending 180 days after such redeployment date.

(D) Subject to subsection (d), not later than once during each of-

(i) the period beginning 180 days after the date of redeployment from the contingency operation and ending 18 months after such redeployment date; and

(ii) the period beginning 18 months after such redeployment date and ending 30 months after such redeployment date.

(2) A mental health assessment is not required for a member of the armed forces under subparagraphs (C) and (D) of paragraph (1) if the Secretary determines that-

(A) the member was not subjected or exposed to operational risk factors during deployment in the contingency operation concerned; or

(B) providing such assessment to the member during the time periods under such subparagraphs would remove the member from forward deployment or put members or operational objectives at risk.

(b) Purpose.-The purpose of the mental health assessments provided pursuant to this section shall be to identify post-traumatic stress disorder, suicidal tendencies, and other behavioral health conditions identified among members described in subsection (a) in order to determine which such members are in need of additional care and treatment for such health conditions.

(c) Elements.-

(1) The mental health assessments provided pursuant to this section shall-

(A) be performed by personnel trained and certified to perform such assessments and may be performed-

(i) by licensed mental health professionals if such professionals are available and the use of such professionals for the assessments would not impair the capacity of such professionals to perform higher priority tasks;

(ii) by personnel in deployed units whose responsibilities include providing unit health care services if such personnel are available and the use of such personnel for the assessments would not impair the capacity of such personnel to perform higher priority tasks; and

(iii) by personnel at private facilities in accordance with section 1074(c) of this title;

(B) include a person-to-person dialogue between members described in subsection (a) and the professionals or personnel described by subparagraph (A), as applicable, on such matters as the Secretary shall specify in order that the assessments achieve the purpose specified in subsection (b) for such assessments;

(C) be conducted in a private setting to foster trust and openness in discussing sensitive health concerns;

(D) be provided in a consistent manner across the military departments; and

(E) include a review of the health records of the member that are related to each previous deployment of the member or other relevant activities of the member while serving in the armed forces, as determined by the Secretary.

(2) The Secretary may treat periodic health assessments and other person-to-person assessments that are provided to members of the armed forces, including examinations under section 1074f of this title, as meeting the requirements for mental health assessments required under this section if the Secretary determines that such assessments and person-to-person assessments meet the requirements for mental health assessments established by this section.

(d) Cessation of Assessments.-No mental health assessment is required to be provided to an individual under subsection (a)(1)(C) or (a)(1)(D) after the individual's discharge or release from the armed forces.

(e) Sharing of Information.-

(1) The Secretary of Defense shall share with the Secretary of Veterans Affairs such information on members of the armed forces that is derived from confidential mental health assessments, including mental health assessments provided pursuant to this section and section 1074n of this title and health assessments and other person-to-person assessments provided before the date of the enactment of this section, as the Secretary of Defense and the Secretary of Veterans Affairs jointly consider appropriate to ensure continuity of mental health care and treatment of members of the armed forces during the transition from health care and treatment provided by the Department of Defense to health care and treatment provided by the Department of Veterans Affairs.

(2) Any sharing of information under paragraph (1) shall occur pursuant to a protocol jointly established by the Secretary of Defense and the Secretary of Veterans Affairs for purposes of this subsection. Any such protocol shall be consistent with the following:

(A) Applicable provisions of the Wounded Warrior Act (title XVI of Public Law 110–181; 10 U.S.C. 1071 note), including section 1614 of such Act (122 Stat. 443; 10 U.S.C. 1071 note).

(B) Section 1720F of title 38.

(3) Before each mental health assessment is conducted under subsection (a), the Secretary of Defense shall ensure that the member is notified of the sharing of information with the Secretary of Veterans Affairs under this subsection.

(f) Regulations.-

(1) The Secretary of Defense, in consultation with the other administering Secretaries, shall prescribe regulations for the administration of this section.

(2) Not later than 270 days after the date of the issuance of the regulations prescribed under paragraph (1), the Secretary shall notify the congressional defense committees of the implementation of the regulations by the military departments.

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Subtitle D—Defense Dependents' Education and Military Family Readiness Matters

Section 531 would broaden the definition of "tax jurisdiction" under section 511(g)(3) of the Servicemembers Civil Relief Act (SCRA) to ensure servicemembers are protected against "double taxation" when they temporarily live in a tax jurisdiction that is different from the State listed on their military orders. In accordance with section 511 of the SCRA, a servicemember "shall neither lose nor acquire a residence or domicile for purposes of taxation with respect to the person, personal property, or income of the servicemember by reason of being absent or present in any tax jurisdiction of the United States solely in compliance with military orders." Furthermore, the compensation of a servicemember for military service shall not be deemed to be income for services performed or from sources within a tax jurisdiction of the United States if the servicemember is not a resident or domiciliary of the jurisdiction in which the servicemember is serving in compliance with military orders.

However, some States have asserted that these protections provided by Section 511 do not apply to servicemembers when they live in a tax jurisdiction different than the State of the Department of Defense installation listed on their military orders. For example, numerous active-duty servicemembers stationed at Fort Leavenworth, Kansas, and Scott Air Force Base, Illinois, who live across the border in nearby Missouri, were initially informed by the Missouri Department of Revenue that they owed delinquent state income taxes as non-residents of Missouri. The members were informed they were "not covered under the Servicemembers Civil Relief Act" for purposes of taxation of their personal property and military income. In other words, the State's interpretation was that a servicemember stationed at Fort Leavenworth, Kansas, but living in Missouri, was not considered to be living in Missouri solely in compliance with military orders, and thus, the Servicemembers Civil Relief Act. The Air Force, working with the other Military Services through the Armed Forces Tax Council, ultimately resolved the immediate issues with the Missouri Department of Revenue in the favor of the servicemembers. However, this remains an unresolved issue in other States and tax jurisdictions.

A servicemember should not lose his or her tax-relief protections when the servicemember lives across the state line from his duty station and remains within a reasonable commuting distance. The intent of Section 511 is to protect and preserve the residence or domicile of servicemembers who move frequently during the course of a military career. This proposed change would modify the definition of tax jurisdiction to fix this perceived gap in the law. This would ensure that servicemembers will not be unfairly taxed by multiple states or tax jurisdictions when they move on account of military service.

Budget Implications: This proposal would not have any impact on federal funds. The policy change may impact state tax revenues and finances of individual military members, but it would have no impact on the Federal budget.

Changes to Existing Law: This proposal would make the following changes to section 511(g)(3) of the Servicemembers Civil Relief Act:

SEC. 511. RESIDENCE FOR TAX PURPOSES.

(a) RESIDENCE OR DOMICILE.—

(1) IN GENERAL.—A servicemember shall neither lose nor acquire a residence or domicile for purposes of taxation with respect to the person, personal property, or income of the servicemember by reason of being absent or present in any tax jurisdiction of the United States solely in compliance with military orders.

(2) SPOUSES.—A spouse of a servicemember shall neither lose nor acquire a residence or domicile for purposes of taxation with respect to the person, personal property, or income of the spouse by reason of being absent or present in any tax jurisdiction of the United States solely to be with the servicemember in compliance with the servicemember's military orders if the residence or domicile, as the case may be, is the same for the servicemember and the spouse.

(b) MILITARY SERVICE COMPENSATION.—Compensation of a servicemember for military service shall not be deemed to be income for services performed or from sources within a tax jurisdiction of the United States if the servicemember is not a resident or domiciliary of the jurisdiction in which the servicemember is serving in compliance with military orders.

(c) INCOME OF A MILITARY SPOUSE.—Income for services performed by the spouse of a servicemember shall not be deemed to be income for services performed or from sources within a tax jurisdiction of the United States if the spouse is not a resident or domiciliary of the jurisdiction in which the income is earned because the spouse is in the jurisdiction solely to be with the servicemember serving in compliance with military orders.

(d) PERSONAL PROPERTY.—

(1) RELIEF FROM PERSONAL PROPERTY TAXES.—The personal property of a servicemember or the spouse of a servicemember shall not be deemed to be located or present in, or to have a situs for taxation in, the tax jurisdiction in which the servicemember is serving in compliance with military orders.

(2) EXCEPTION FOR PROPERTY WITHIN MEMBER'S DOMICILE OR RESIDENCE.—This subsection applies to personal property or its use within any tax jurisdiction other than the servicemember's or the spouse's domicile or residence.

(3) EXCEPTION FOR PROPERTY USED IN TRADE OR BUSINESS.—This section does not prevent taxation by a tax jurisdiction with respect to personal property used in or arising from a trade or business, if it has jurisdiction.

(4) RELATIONSHIP TO LAW OF STATE OF DOMICILE.—Eligibility for relief from personal property taxes under this subsection is not contingent on whether or not such taxes are paid to the State of domicile.

(e) INCREASE OF TAX LIABILITY.—A tax jurisdiction may not use the military compensation of a nonresident servicemember to increase the tax liability imposed on other income earned by the nonresident servicemember or spouse subject to tax by the jurisdiction.

(f) FEDERAL INDIAN RESERVATIONS.—An Indian servicemember whose legal residence or domicile is a Federal Indian reservation shall be taxed by the laws applicable to Federal Indian reservations and not the State where the reservation is located.

(g) DEFINITIONS.—For purposes of this section:

(1) PERSONAL PROPERTY.—The term "personal property" means intangible and tangible property (including motor vehicles).

(2) TAXATION.—The term "taxation" includes licenses, fees, or excises imposed with respect to motor vehicles and their use, if the license, fee, or excise is paid by the servicemember in the servicemember's State of domicile or residence.

(3) TAX JURISDICTION.—The term "tax jurisdiction" means a State or a political subdivision of a State. <u>The State or political subdivision where the servicemember is serving in compliance with military orders includes any State or political subdivision within 150 miles of the servicemember's assigned duty location.</u>

Section 532. Currently, section 511 of the Servicemembers Civil Relief Act (SCRA) (50 U.S.C. 4001) does not include personal property tax protections for servicemembers who lease a vehicle because a leased vehicle is technically owned by the lessor. In practice, the lease often includes a provision in which the responsibility to pay the vehicle's property taxes is passed to the servicemember lessee. In Virginia, for example, State law allows for the lessor to shift the tax burden to the servicemember through the vehicle lease terms. *See* Va. Code Ann. §58.1-3516.2. Some States, such as Connecticut, already exempt servicemembers from paying the personal property taxes on leased motor vehicles. *See* Conn. Gen. Stat. §12-81(53). Without a State statute specifically exempting servicemembers from paying personal property taxes on a leased vehicle, servicemembers lose the personal property tax relief envisioned by the SCRA.

This legislative proposal would extend the SCRA's personal property tax protections to include servicemembers who lease any item that might be considered taxable personal property by a State. Further, this proposal would protect the lessor of motor vehicles, as the proposed language extends the SCRA protections to the actual vehicle, if leased by a servicemember or the spouse of a servicemember. This language effectively shifts the protections of the SCRA to the lessor, by stating that a tax jurisdiction cannot tax a servicemember's leased vehicle simply because the vehicle is located in that tax jurisdiction as a result of the servicemember's orders.

Budget Implications: This proposal would not have an impact on DoD Budgets.

RESOURCE REQUIREMENTS ($MILLIONS)

	FY19	FY20	FY21	FY22	Appropriation From	Budget Activity	Dash-1 Line Item	Program Element
Total	0	0	0	0	N/A	N/A	N/A	N/A

Changes to Existing Law: This proposal would make the following changes to subsection (d)(1) of 50 U.S.C. 4001:

(a) Residence or domicile.

(1) In general. A servicemember shall neither lose nor acquire a residence or domicile for purposes of taxation with respect to the person, personal property, or income of the servicemember by reason of being absent or present in any tax jurisdiction of the United States solely in compliance with military orders.

(2) Spouses. A spouse of a servicemember shall neither lose nor acquire a residence or domicile for purposes of taxation with respect to the person, personal property, or income of the spouse by reason of being absent or present in any tax jurisdiction of the United States solely to be with the servicemember in compliance with the servicemember's military orders if the residence or domicile, as the case may be, is the same for the servicemember and the spouse.

(b) Military service compensation. Compensation of a servicemember for military service shall not be deemed to be income for services performed or from sources within a tax jurisdiction of the United States if the servicemember is not a resident or domiciliary of the jurisdiction in which the servicemember is serving in compliance with military orders.

(c) Income of a military spouse. Income for services performed by the spouse of a servicemember shall not be deemed to be income for services performed or from sources within a tax jurisdiction of the United States if the spouse is not a resident or domiciliary of the jurisdiction in which the income is earned because the spouse is in the jurisdiction solely to be with the servicemember serving in compliance with military orders.

(d) Personal property.

(1) Relief from personal property taxes. The personal property of a servicemember or the spouse of a servicemember, <u>whether leased or owned,</u> shall not be deemed to be located or present in, or to have a situs for taxation in, the tax jurisdiction in which the servicemember is serving in compliance with military orders. <u>The relief from personal property taxes extends to a servicemember or the spouse of a servicemember who leases a motor vehicle, as well as to a lessor who leases a motor vehicle to the servicemember or spouse. When a servicemember or the spouse of the servicemember leases a motor vehicle, the leased motor vehicle shall not be deemed to be located or present in, or have a situs for taxation in, the tax jurisdiction in which the servicemember is serving in compliance with military orders unless the servicemember or spouse has adopted that tax jurisdiction as the legal residence of the servicemember or spouse, respectively.</u>

(2) Exception for property within member's domicile or residence. This subsection applies to personal property or its use within any tax jurisdiction other than the servicemember's or the spouse's domicile or residence.

(3) Exception for property used in trade or business. This section does not prevent taxation by a tax jurisdiction with respect to personal property used in or arising from a trade or business, if it has jurisdiction.

(4) Relationship to law of state of domicile. Eligibility for relief from personal property taxes under this subsection is not contingent on whether or not such taxes are paid to the State of domicile.

(e) Increase of tax liability. A tax jurisdiction may not use the military compensation of a nonresident servicemember to increase the tax liability imposed on other income earned by the nonresident servicemember or spouse subject to tax by the jurisdiction.

(f) Federal Indian reservations. An Indian servicemember whose legal residence or domicile is a Federal Indian reservation shall be taxed by the laws applicable to Federal Indian reservations and not the State where the reservation is located.

(g) Definitions. For purposes of this section:

(1) Personal property. The term "personal property" means intangible and tangible property (including motor vehicles).

(2) Taxation. The term "taxation" includes licenses, fees, or excises imposed with respect to motor vehicles and their use, if the license, fee, or excise is paid by the servicemember in the servicemember's State of domicile or residence.

(3) Tax jurisdiction. The term "tax jurisdiction" means a State or a political subdivision of a State.

Section 533. A common issue that legal assistance attorneys in the field are seeing involves servicemembers who separate from active duty due to retirement or because their service requirements are over or have been satisfied. Often landlords and lessors have challenged servicemembers on whether these final orders meet the definition of “military orders” per 50 U.S.C. 3955. These challenges unnecessarily expose servicemembers and former servicemembers to litigation and potential losses in court.

This proposal clarifies that, in the context of terminating residential or motor vehicle leases under 50 U.S.C. 3955, military orders for a permanent change of station (PCS) include separation or retirement orders. This will leave no doubt that servicemembers who are separating or retiring are to receive the same protections as servicemembers executing a normal PCS.

Further, frequently a servicemember will elect not to return to the servicemember’s home of record upon separation or retirement, electing to create an entirely new domicile. The proposed addition of paragraph (3) to section 3955(a) of the Servicemembers Civil Relief Act (SCRA) will protect servicemembers who elect to relocate to somewhere other than the Home of Record listed on their orders.

Budget Implications: The proposed changes would not have an impact on DOD Budgets.

RESOURCE REQUIREMENTS ($MILLIONS)									
	FY19	**FY20**	**FY21**	**FY22**	**FY23**	**Appropriation From**	**Budget Activity**	**Dash-1 Line Item**	**Program Element**
Total	0	0	0	0	0	N/A	N/A	N/A	N/A

Changes to Existing Law: This proposal would make the following changes to section 3955 of title 50, United States Code:

Section 3955. Termination of Residential or Motor Vehicle Leases

(a) Termination by lessee.

(1) In general. The lessee on a lease described in subsection (b) may, at the lessee's option, terminate the lease at any time after--

(A) the lessee's entry into military service; or

(B) the date of the lessee's military orders described in paragraph (1)(B) or (2)(B) of subsection (b), as the case may be.

(2) Joint leases. A lessee's termination of a lease pursuant to this subsection shall terminate any obligation a dependent of the lessee may have under the lease.

(3) Retirement or separation orders. A servicemember who receives orders for separation or retirement—

(A) may terminate a lease in accordance with this subsection; and

(B) shall not be required to relocate to the location listed in the servicemember's retirement or separation orders in order to terminate the lease.

(b) Covered leases. This section applies to the following leases:

(1) Leases of premises. A lease of premises occupied, or intended to be occupied, by a servicemember or a servicemember's dependents for a residential, professional, business, agricultural, or similar purpose if--

(A) the lease is executed by or on behalf of a person who thereafter and during the term of the lease enters military service; or

(B) the servicemember, while in military service, executes the lease and thereafter receives ~~military orders for a permanent change of station or to deploy with a military unit, or as an individual in support of a military operation, for a period of not less than 90 days.~~ military orders—

(i) for a permanent change of station, which includes orders for separation or retirement; or

(ii) to deploy with a military unit, or as an individual in support of a military operation, for a period of not less than 90 days.

(2) Leases of motor vehicles. A lease of a motor vehicle used, or intended to be used, by a servicemember or a servicemember's dependents for personal or business transportation if--

(A) the lease is executed by or on behalf of a person who thereafter and during the term of the lease enters military service under a call or order specifying a period of not less than 180 days (or who enters military service under a call or order specifying a period of 180 days or less and who, without a break in service, receives orders extending the period of military service to a period of not less than 180 days); or

(B) the servicemember, while in military service, executes the lease and thereafter receives military orders--

(i) for a ~~change of permanent station~~ permanent change of station, which includes orders for separation or retirement--

(I) from a location in the continental United States to a location outside the continental United States; or

(II) from a location in a State outside the continental United States to any location outside that State; or

(ii) to deploy with a military unit, or as an individual in support of a military operation, for a period of not less than 180 days.

(c) Manner of termination.

(1) In general. Termination of a lease under subsection (a) is made--

(A) by delivery by the lessee of written notice of such termination, and a copy of the servicemember's military orders, to the lessor (or the lessor's grantee), or to the lessor's agent (or the agent's grantee); and

(B) in the case of a lease of a motor vehicle, by return of the motor vehicle by the lessee to the lessor (or the lessor's grantee), or to the lessor's agent (or the agent's grantee), not later than 15 days after the date of the delivery of written notice under subparagraph (A).

(2) Delivery of notice. Delivery of notice under paragraph (1)(A) may be accomplished--

(A) by hand delivery;

(B) by private business carrier; or

(C) by placing the written notice in an envelope with sufficient postage and with return receipt requested, and addressed as designated by the lessor (or the lessor's grantee) or to the lessor's agent (or the agent's grantee), and depositing the written notice in the United States mails.

(d) Effective date of lease termination.

(1) Lease of premises. In the case of a lease described in subsection (b)(1) that provides for monthly payment of rent, termination of the lease under subsection (a) is effective 30 days after the first date on which the next rental payment is due and payable after the date on which the notice under subsection (c) is delivered. In the case of any other lease described in subsection (b)(1), termination of the lease under subsection (a) is effective on the last day of the month following the month in which the notice is delivered.

(2) Lease of motor vehicles. In the case of a lease described in subsection (b)(2), termination of the lease under subsection (a) is effective on the day on which the requirements of subsection (c) are met for such termination.

(e) Arrearages and other obligations and liabilities.

(1) Leases of premises. Rent amounts for a lease described in subsection (b)(1) that are unpaid for the period preceding the effective date of the lease termination shall be paid on a prorated basis. The lessor may not impose an early termination charge, but any taxes, summonses, or other obligations and liabilities of the lessee in accordance with the terms of the lease, including reasonable charges to the lessee for excess wear, that are due and unpaid at the time of termination of the lease shall be paid by the lessee.

(2) Leases of motor vehicles. Lease amounts for a lease described in subsection (b)(2) that are unpaid for the period preceding the effective date of the lease termination shall be paid on a prorated basis. The lessor may not impose an early termination charge, but any taxes, summonses, title and registration fees, or other

obligations and liabilities of the lessee in accordance with the terms of the lease, including reasonable charges to the lessee for excess wear or use and mileage, that are due and unpaid at the time of termination of the lease shall be paid by the lessee.

(f) Rent paid in advance. Rents or lease amounts paid in advance for a period after the effective date of the termination of the lease shall be refunded to the lessee by the lessor (or the lessor's assignee or the assignee's agent) within 30 days of the effective date of the termination of the lease.

(g) Relief to lessor. Upon application by the lessor to a court before the termination date provided in the written notice, relief granted by this section to a servicemember may be modified as justice and equity require.

(h) Misdemeanor. Any person who knowingly seizes, holds, or detains the personal effects, security deposit, or other property of a servicemember or a servicemember's dependent who lawfully terminates a lease covered by this section, or who knowingly interferes with the removal of such property from premises covered by such lease, for the purpose of subjecting or attempting to subject any of such property to a claim for rent accruing subsequent to the date of termination of such lease, or attempts to do so, shall be fined as provided in title 18, United States Code, or imprisoned for not more than one year, or both.

(i) Definitions.

(1) Military orders. The term "military orders", with respect to a servicemember, means official military orders, <u>including orders for separation or retirement,</u> or any notification, certification, or verification from the servicemember's commanding officer, with respect to the servicemember's current or future military duty status.

(2) CONUS. The term "continental United States" means the 48 contiguous States and the District of Columbia.

Section 534 updates title 10 U.S.C. § 1781a, relating to the Department of Defense Military Family Readiness Council (MFRC), by authorizing minor changes in membership, changing the term of service for military family organizations who serve on the MFRC, adding a new oversight function to the duties of the council, and changing the date by which the MFRC annual report must be submitted.

This proposal includes minor changes in the membership of the MFRC. Under current law, the Secretary of Defense appoints or designates one representative of each of the Military Services (Army, Navy, Marine Corps, and Air Force) to serve on the MFRC, each of whom shall be a member of the Armed Force to be represented. This proposal would authorize the representative from each Service to be a member of the Armed Forces or a civilian employee. The current law also provides for the appointment or designation to the MFRC of one representative of the Army National Guard or the Air National Guard, who may be a member of the National Guard. Additionally, title 10 U.S.C. § 1781a requires rotation between the Army National Guard and the Air National Guard every two years on a calendar year basis. This proposal would authorize a member or civilian employee from the National Guard Bureau to represent both the Army National Guard and the Air National Guard on the MFRC and eliminate the need for rotation between these two components.

The current provision does not provide the Services with the flexibility to determine the most appropriate representative on military family readiness issues, and instead requires a

Military Service member to represent each Service. In instances where a civilian representative attends on behalf of the designated Military Representative, the Services had identified issues with the civilian representative being unable to fully represent their Service (i.e., voting). Additionally, the current provision does not provide continuity in membership for the National Guard or a joint National Guard voice regarding policy and programmatic issues under review and consideration by the MFRC.

The proposed revision would provide the Services the flexibility to appoint the member that they feel would best represent their Service, by allowing a MFRC member to be either a member of the military or a civilian employee. This would also allow civilian representatives to fully participate in the MFRC process. The revision would also provide for a National Guard Bureau representative as the senior and enduring MFRC member, representing both the Army National Guard and the Air National Guard at all MFRC meetings and activities with full deliberation and voting privileges.

This proposal also changes the term of service for military family organizations that serve on the MFRC. Under current law, the term of service for MFRC members who represent military family organizations is three years. All other MFRC members have a two-year term of service designation. This proposal would provide two-year term of service consistency across all MFRC membership types, except those positions that are deemed permanent (i.e., Senior Enlisted Advisors and Office of Special Needs).

The current provision does not provide fair and equitable term of service rotation requirements for military family organizations wishing to serve on the MFRC. The proposed revision would provide more opportunity for rotation of eligible military family organizations to serve as MFRC members. Such rotation would bring a wider range of perspective, expertise, and experience to the MFRC as it considers, deliberates, and provides independent advice to the Secretary of Defense on military family readiness matters.

This proposal also adds an additional duty requirement. Under current law, MFRC duties include the following requirements: (1) To review and make recommendations to the Secretary of Defense regarding the policy and plans required under section 1781b of this title; (2) To monitor requirements for the support of military family readiness by the Department of Defense; and (3) To evaluate and assess the effectiveness of the military family readiness programs and activities of the Department of Defense. This proposal would add the following new duty item: (4) To review and make recommendations to the Secretary of Defense to improve collaboration, awareness, and promotion of accurate and timely military family readiness information and support services by policy makers, service providers and targeted beneficiaries.

After reviewing numerous military family readiness policies and programs, the MFRC recognizes that the following additional critical function needs to be addressed across all Military Services and topics: the need to provide correct, timely information; the need to keep awareness of available services high; and the need to make needed referrals and resource connections on an on-going basis. Unfortunately, competition between service providers and withholding of information remains a long-standing problem. The proposed revision would require the MFRC to review and make recommendations to the Secretary of Defense regarding processes designed

to ensure better collaboration and an on-going flow of accurate, timely military family readiness information from and between DoD and Military Service policy makers, service providers, and targeted beneficiaries.

Finally, this proposal would change the date of the MFRC report. Under current law, not later than February 1 of each year, the Council shall submit to the Secretary of Defense and the congressional defense committees a report on military family readiness. Because this report contains consolidated, independent advice and recommendations from 18 MFRC members regarding a full range of complex military family readiness topics and issues, council members need adequate time to review and approve their MFRC annual report submission.

The current provision does not allow adequate time for all 18 MFRC members to review, comment, coordinate, edit, and complete a final approved version of the MFRC annual report. This proposal would change the date of submission from February 1 to July 1 of each year. The proposed revision would provide adequate time to prepare, approve, and submit the MFRC annual report to the Secretary of Defense and the congressional defense committees.

The proposed changes would modernize the MFRC and allow it to function more efficiently and have greater impact.

Budget Implications: No budgetary impact is expected.

RESOURCE REQUIREMENTS ($MILLIONS)									
	FY 2019	**FY 2020**	**FY 2021**	**FY 2022**	**FY 2023**	**Appropriation From**	**Budget Activity**	**Dash-1 Line Item**	**Program Element**
Total	0	0	0	0	0	N/A	N/A	N/A	N/A

Changes to Existing Law: This section would make the following changes in provisions of existing law:

TITLE 10, UNITED STATES CODE

§ 1781a. Department of Defense Military Family Readiness Council

(a) In General.—There is in the Department of Defense the Department of Defense Military Family Readiness Council (in this section referred to as the "Council").

(b) Members.—(1) The Council shall consist of the following members:

(A) The Under Secretary of Defense for Personnel and Readiness, who shall serve as chair of the Council and who may designate a representative to chair the council in the Under Secretary's absence.

(B) The following persons, who shall be appointed or designated by the Secretary of Defense:

(i) One representative of each of the Army, Navy, Marine Corps, and Air Force, each of whom shall be ~~a member of the armed force to be represented~~ a member or civilian employee of the armed force to be represented.

~~(ii) One representative of the Army National Guard or the Air National Guard, who may be a member of the National Guard.~~

(ii) One representative, who shall be a member or civilian employee of the National Guard Bureau, to represent both the Army National Guard and the Air National Guard.

(iii) One spouse or parent of a member of each of the Army, Navy, Marine Corps, and Air Force, two of whom shall be the spouse or parent of an active component member and two of whom shall be the spouse or parent of a reserve component member.

(C) Three individuals appointed by the Secretary of Defense from among representatives of military family organizations, including military family organizations of families of members of the regular components and of families of members of the reserve components.

(D) The senior enlisted advisor from each of the Army, Navy, Marine Corps, and Air Force, except that two of these members may instead be selected from among the spouses of the senior enlisted advisors.

(E) The Director of the Office of Military Family Readiness Policy.

(2)(A) The term on the Council of the members appointed or designated under ~~clauses (i) and (iii) of~~ subparagraph (B) of paragraph (1) shall be two years and may be renewed by the Secretary of Defense. ~~Representation on the Council under clause (ii) of that subparagraph shall rotate between the Army National Guard and Air National Guard every two years on a calendar year basis.~~

(B) The term on the Council of the members appointed under subparagraph (C) of paragraph (1) shall be ~~three years~~ two years.

(c) Meetings.—The Council shall meet not less often than twice each year.

(d) Duties.—The duties of the Council shall include the following:

(1) To review and make recommendations to the Secretary of Defense regarding the policy and plans required under section 1781b of this title.

(2) To monitor requirements for the support of ~~military family readiness by the Department of Defense~~ military and family readiness programs and activities of the Department of Defense.

(3) To evaluate and assess the effectiveness of the military family readiness programs and activities of the Department of Defense.

(4) To make recommendations to the Secretary of Defense to improve collaboration, awareness, and promotion of accurate and timely military family readiness information and support services by policy makers, service providers, and targeted beneficiaries.

(e) Annual Reports.—(1) Not later than ~~February 1~~ July 1 each year, the Council shall submit to the Secretary of Defense and the congressional defense committees a report on military family readiness.

(2) Each report under this subsection shall include the following:

(A) An assessment of the adequacy and effectiveness of the military family readiness programs and activities of the Department of Defense during the preceding fiscal year in meeting the needs and requirements of military families.

(B) Recommendations on actions to be taken to improve the capability of the military family readiness programs and activities of the Department of Defense to meet the needs and

requirements of military families, including actions relating to the allocation of funding and other resources to and among such programs and activities.

Subtitle E—Decorations and Awards

Section 541 would standardize across the Department of Defense the requirement for honorable service for award of medals, crosses, bars, or associated emblems by establishing title 10, United States Code (U.S.C.), §1135a, by repealing title 10, U.S.C., §6249 (which only applies to the Navy and Marine Corps), and by modifying title 10, U.S.C., §§3744, 3749, 8744, and 8749 (which only apply to the Army and Air Force). The new §1135a will be a single statutory standard that applies across the Department of Defense regarding the requirement for honorable service after a Service member distinguished himself/herself in order to qualify for military decorations (e.g., medal, cross, bar, or associated emblem).

This proposal complies with the Secretary of Defense Military Decorations and Awards Review recommendation to submit a legislative proposal to standardize title 10, U.S.C, provisions precluding award of medals to members whose service has not been honorable. Currently, the requirements for honorable service following a distinguishing act vary between the Military Departments which creates confusion and results in inequitable treatment of Service members. This proposal would establish a single statutory standard that would provide parity in treatment of Service members across the Department of Defense. The proposed §1135a merely takes the current wording of title 10, U.S.C., §6249 and applies it to the entire Department of Defense, obviating the need for §6249 or any other Military Department specific statutory language limiting awards based on honorable service. Accordingly, this proposal also removes the honorable service language requirement from title 10, U.S.C., §§3744, 3749, 8744, and 8749.

Budgetary Implications: There will be no budgetary impact from enactment of this proposal. Additionally, the total number of personnel affected would be very small, estimated at approximately 20 per year.

RESOURCE REQUIREMENTS ($MILLION)									
	FY 2019	**FY 2020**	**FY 2021**	**FY 2022**	**FY 2023**	**Appropriation From**	**Budget Activity**	**Dash-1 Line Item**	**Program Element**
Army	$0.000	$0.000	$0.000	$0.000	$0.000				
Navy	$0.000	$0.000	$0.000	$0.000	$0.000				
Marine Corps	$0.000	$0.000	$0.000	$0.000	$0.000				
Air Force	$0.000	$0.000	$0.000	$0.000	$0.000				
Total	$.000	$.000	$.000	$.000	$.000				

NUMBER OF PERSONNEL AFFECTED									
	FY 2019	**FY 2020**	**FY 2021**	**FY 2022**	**FY 2023**	**Appropriation From**	**Budget Activity**	**Dash-1 Line Item**	**Program Element**

Army	9	9	9	9	9				
Navy	4	4	4	4	4				
Marine Corps	3	3	3	3	3				
Air Force	4	4	4	4	4				
Total	20	20	20	20	20				

Changes to Existing Law: This section would make the following changes in provisions of existing law:

TITLE 10, UNITED STATES CODE

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§3744. Medal of honor; distinguished-service cross; distinguished-service medal: limitations on award

(a) No more than one distinguished-service cross or distinguished-service medal may be awarded to a person. However, for each succeeding act that would otherwise justify the award of such a medal or cross, the President may award a suitable bar or other device to be worn as he directs.

(b) Except as provided in ~~subsection (d)~~ subsection (c), no medal of honor, distinguished-service cross, distinguished-service medal, or device in place thereof, may be awarded to a person unless-

(1) the award is made within five years after the date of the act justifying the award;

(2) a statement setting forth the distinguished service and recommending official recognition of it was made within three years after the distinguished service; and

(3) it appears from records of the Department of the Army that the person is entitled to the award.

~~(c) No medal of honor, distinguished-service cross, distinguished-service medal, or device in place thereof, may be awarded or presented to a person whose service after he distinguished himself has not been honorable.~~

~~(d)~~ (c) If the Secretary of the Army determines that-

(1) a statement setting forth the distinguished service and recommending official recognition of it was made and supported by sufficient evidence within three years after the distinguished service; and

(2) no award was made, because the statement was lost or through inadvertence the recommendation was not acted on;

a medal of honor, distinguished-service cross, distinguished-service medal, or device in place thereof, as the case may be, may be awarded to the person concerned within two years after the date of that determination.

* * * * *

§3749. Distinguished flying cross: award; limitations

(a) The President may award a distinguished flying cross of appropriate design with accompanying ribbon to any person who, while serving in any capacity with the Army, distinguishes himself by heroism or extraordinary achievement while participating in an aerial flight.

(b) Not more than one distinguished flying cross may be awarded to a person. However, for each succeeding act that would otherwise justify the award of such a cross, the President may award a suitable bar or other device to be worn as he directs.

~~(c) No distinguished flying cross, or device in place thereof, may be awarded or presented to a person whose service after he distinguished himself has not been honorable.~~

~~**§6249. Limitation of honorable service**~~

~~No medal, cross, or bar, or associated emblem or insignia may be awarded or presented to any person or to his representative if his service after he distinguished himself has not been honorable.~~

* * * * *

§8744. Medal of honor; Air Force cross; distinguished-service medal: limitations on award

(a) No more than one Air Force Cross or distinguished-service medal may be awarded to a person. However, for each succeeding act that would otherwise justify the award of such a medal or cross, the President may award a suitable bar or other device to be worn as he directs.

(b) Except as provided in ~~subsection (d)~~ subsection (c), no medal of honor, Air Force cross, distinguished-service medal, or device in place thereof, may be awarded to a person unless-

(1) the award is made within five years after the date of the act justifying the award;

(2) a statement setting forth the distinguished service and recommending official recognition of it was made within three years after the distinguished service; and

(3) it appears from records of the Department of the Air Force that the person is entitled to the award.

~~(c) No medal of honor, Air Force cross, distinguished-service medal, or device in place thereof, may be awarded or presented to a person whose service after he distinguished himself has not been honorable.~~

~~(d)~~ (c) If the Secretary of the Air Force determines that-

(1) a statement setting forth the distinguished service and recommending official recognition of it was made and supported by sufficient evidence within three years after the distinguished service; and

(2) no award was made, because the statement was lost or through inadvertence the recommendation was not acted on;

a medal of honor, Air Force cross, distinguished-service medal, or device in place thereof, as the case may be, may be awarded to the person concerned within two years after the date of that determination.

* * * * *

§8749. Distinguished flying cross: award; limitations

(a) The President may award a distinguished flying cross of appropriate design with accompanying ribbon to any person who, while serving in any capacity with the Air Force, distinguishes himself by heroism or extraordinary achievement while participating in an aerial flight.

(b) Not more than one distinguished flying cross may be awarded to a person. However, for each succeeding act that would otherwise justify the award of such a cross, the President may award a suitable bar or other device to be worn as he directs.

~~(c) No distinguished flying cross, or device in place thereof, may be awarded or presented to a person whose service after he distinguished himself has not been honorable.~~

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TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

Section 601 would extend certain expiring bonus and special pay authorities.

Subsection (a) of this proposal would extend income replacement payments for reserve component members experiencing extended and frequent mobilization for active duty service through December 31, 2019. The Department of Defense and Congress recognize the prudence of this incentive, which compensates an involuntarily mobilized Reserve Service member in an amount equal to the monthly income differential between the member's average monthly civilian income and the member's total monthly military compensation.

Subsection (b) of this proposal would extend two critical recruitment and retention incentive programs for Reserve component health care professionals through December 31, 2019. The Reserve components historically have found it challenging to meet the required manning in the health care professions. These incentives, which target nurse and critical health care profession skills, are essential to meet required manning levels. The financial assistance and health professions loan repayment programs have proven to be powerful recruiting tools for attracting young health professionals trained in specialty areas that are critically short in the Selected Reserve. Extending these authorities is critical to the continued success of recruiting young, skilled health professionals into the Selected Reserve.

Subsection (c) of this proposal would extend accession and retention incentives for nuclear-qualified officers through December 31, 2019. These incentives enable the Navy to attract and retain the qualified personnel required to maintain the operational readiness and

unparalleled safety record of the nuclear-powered submarines and aircraft carriers, which comprise over 40% of the Navy's major combatants. Due to extremely high training costs and regulatory requirements for experienced supervisors, these incentives provide the surest and most cost-effective means to maintain the required quantity and quality of these officers.

The nuclear officer bonus and nuclear officer incentive pay (NOIP) program is structured to provide career-long retention of officers in whom the Navy has made a considerable training investment and who have continually demonstrated superior technical and management ability. The scope of the program is limited to the number of officers required to fill critical nuclear supervisory billets, and eligibility is strictly limited to those officers who continue to meet competitive career milestones. The technical, leadership, and management expertise developed in the Naval Nuclear Propulsion Program (NNPP) is highly valued in the civilian workforce, which makes the retention of these officers a continuing challenge.

Subsection (d) of this proposal would extend through December 31, 2019, the consolidated special and incentive pay authorities added to subchapter II of chapter 5 of title 37, United States Code, by the National Defense Authorization Act for FY2008, to which the Department will transition over a 10 year period. Experience shows that retention of members in critical skills would be unacceptably low without these incentives, which in turn would generate substantially greater costs associated with recruiting and developing replacements. The Department of Defense and the Congress have long recognized the cost-effectiveness of financial incentives in supporting effective staffing in such critical military skills, assignments, and high priority units.

Subsection (e) of this proposal would extend through December 31, 2019, the Secretary of Defense authority to prescribe a temporary increase in the rates of basic allowance for housing otherwise prescribed for a military housing area or a portion of a military housing area if the military housing area or portion thereof is located in an area covered by a declaration by the President that a major disaster exists; or contains one or more military installations that are experiencing a sudden increase in the number of members of the armed forces assigned to the installation.

ONE-YEAR EXTENSION AUTHORITIES FOR RESERVE FORCES:

Budget Implications: This section will extend for one year critical income replacement payments for reserve component members experiencing extended and frequent mobilization for active duty service.

Table 1a.	**NUMBER OF PERSONNEL AFFECTED**							
	FY 2019	**FY 2020**	**FY 2021**	**FY 2022**	**FY 2023**	**Appropriation To**	**Budget Activity**	**Dash-1 Line Item**
Army	0	0	0	0	0	Military Personnel, Army	06	40

Navy,	0	0	0	0	0	Military Personnel, Navy,	06	212
Total	0	0	0	0	0			

Table 1b.	RESOURCE REQUIREMENTS ($ MILLIONS)							
	FY 2019	**FY 2020**	**FY 2021**	**FY 2022**	**FY 2023**	**Appropriation To**	**Budget Activity**	**Dash-1 Line Item**
Army	0	0	0	0	0	Military Personnel, Army	06	40
Navy	0	0	0	0	0	Military Personnel, Navy,	06	212
Total	$0	$0	$0	$0	$0			

***Values reflect FY2019 estimate in the Services FY2019 Budget Estimate.**

ONE-YEAR EXTENSION OF TITLE 10 AUTHORITIES RELATING TO HEALTH CARE PROFESSIONALS:

Budget Implications: This section will extend for one year critical accession and retention incentive programs, which the military departments fund annually. The military departments have already projected expenditures for these incentives and programmed them via budget proposals. The military departments have projected expenditures of approximately $32.3 million annually for FY2019 through FY2023 for these incentives in their budget proposals, to be funded from the Military Personnel accounts. Tables 2a and 2b included the numbers and funding for the pay authorities listed in subsection (b).

Table 2a.	NUMBER OF PERSONNEL AFFECTED							
	FY 2019	**FY 2020**	**FY 2021**	**FY 2022**	**FY 2023**	**Appropriation To**	**Budget Activity**	**Line Item**
Army*	0	0	0	0	0	Military Personnel, Army	01	40
Army Res*	653	653	653	653	653	Reserve Personnel, Army	01	120
Army National Guard*	447	447	447	447	447	National Guard Personnel, Army	01	90
Navy*	0	0	0	0	0	Military Personnel, Navy;	01	40
Navy Res*	24	24	24	24	24	Reserve Personnel, Navy	01	120
Air Force*	0	0	0	0	0	Military Personnel, Air Force	01	40
AF Res*	90	90	90	90	90	Reserve Personnel, Air Force	01	120
Air National Guard*	50	50	50	50	50	National Guard Personnel, Air Force	01	90

Total	1,264	1,264	1,264	1,264	1,264			

Table 2b.	RESOURCE REQUIREMENTS ($ MILLIONS)							
	FY 2019	**FY 2020**	**FY 2021**	**FY 2022**	**FY 2023**	**Appropriation To**	**Budget Activity**	**Line Item**
Army*	0	0	0	0	0	Military Personnel, Army;	01	40
Army Res*	$13.5	$13.5	$13.5	$13.5	$13.5	Reserve Personnel, Army	01	120
Army National Guard*	$13.7	$13.7	$13.7	$13.7	$13.7	National Guard Personnel, Army	01	90
Navy*	0	0	0	0	0	Military Personnel, Navy;	01	40
Navy Res*	$.94	$.94	$.94	$.94	$.94	Reserve Personnel, Navy	01	120
Air Force*	0	0	0	0	0	Military Personnel, Air Force	01	40
AF Res*	$2.8	$2.8	$2.8	$2.8	$2.8	Reserve Personnel, Air Force	01	120
Air National Guard	$1.5	$1.5	$1.5	$1.5	$1.5	National Guard Personnel, Air Force	01	90
Total	$32.3	$32.3	$32.3	$32.3	$32.3			

*** Values reflect FY2019 estimate in the Services FY2019 Budget Estimate.**

ONE-YEAR EXTENSION OF SPECIAL PAY AND BONUS AUTHORITIES FOR NUCLEAR OFFICERS:

Budget Implications: This section will extend for one year the critical accession and retention incentive programs the Navy funds each year. The Navy has already projected expenditures for these incentives and programmed them into budget proposals. The Navy has projected expenditures of about $82 million annually, to be funded from their Military Personnel account, to account for new and renegotiated contracts to be executed each year from FY 2019 through 2023. The Army and Air Force are not authorized in the statute to pay these bonuses.

Table 3a.	NUMBER OF PERSONNEL AFFECTED							
	FY 2019	**FY 2020**	**FY 2021**	**FY 2022**	**FY 2023**	**Appropriation To**	**Budget Activity**	**Dash-1 Line Item**
Navy*	2,854	2,854	2,854	2,854	2,854	Military Personnel, Navy	01, 03	40 (for 01); 90 (for 02); 110 (for 03)

Navy Res*	175	175	175	175	175	Reserve Personnel, Navy	01	90
Total	3,029	3,029	3,029	3,029	3,029			

Table 3b.	RESOURCE REQUIREMENTS ($MILLIONS)							
	FY 2019	**FY 2020**	**FY 2021**	**FY 2022**	**FY 2023**	**Appropriation To**	**Budget Activity**	**Dash-1 Line Item**
Navy*	$79.7	$79.7	$79.7	$79.7	$79.7	Military Personnel, Navy	01, 03	40 (for 01); 90 (for 02); 110 (for 03)
Navy Res*	$2.6	$2.6	$2.6	$2.6	$2.6	Reserve Personnel, Navy	01	90
Total	$82.3	$82.3	$82.3	$82.3	$82.3			

*** Values reflect FY2019 estimate in the Services FY2019 Budget Estimate.**

ONE-YEAR EXTENSION OF AUTHORITIES RELATING TO CONSOLIDATED SPECIAL PAY, INCENTIVE PAY, AND BONUS AUTHORITIES.

Budget Implications: This section will extend for one year the consolidated special and incentive programs the military departments fund each year. These pays consist of enlisted and officer bonuses, aviation bonuses and incentives, non-physician health professions pays, hazardous duty pays, assignment and special duty pays, skill incentive pays, and critical skill retention bonuses. This section does not include the nuclear officer pays, which are located in tables 3a and 3b. The military departments have already projected expenditures for these incentives and programmed them via budget proposals. Specifically, the military departments have projected expenditures of approximately $5 billion annually from FY 2019 through FY 2023 for these incentives in their budget proposals, to be funded from the Military Personnel accounts.

Table 4a.	NUMBER OF PERSONNEL AFFECTED							
	FY 2019	**FY 2020**	**FY 2021**	**FY 2022**	**FY 2023**	**Appropriation To**	**Budget Activity**	**Line Item**
Army*	257,025	257,025	257,025	257,025	257,025	Military Personnel, Army	01, 02	35 & 40 (for 01), 85 & 90 (for 02)
ARNG*	42,183	42,183	42,183	42,183	42,183	National Guard Personnel, Army	01	90
USAR*	67,194	67,194	67,194	67,194	67,194	Reserve Personnel, Army	01	90
Navy*	307,483	307,483	307,483	307,483	307,483	Military Personnel, Navy	01, 02	35 & 40 (for 01); 85 & 90 (for 02)

USNR*	5,657	5,657	5,657	5,657	5,657	Reserve Personnel, Navy	01	90
Marine Corps*	49,697	49,697	49,697	49,697	49,697	Military Personnel, Marine Corps	01, 02	35 & 40 (for 01); 85 & 90 (for 02)
USMCR*	522	552	552	552	552	Reserve Personnel, Marine Corps	01	90
Air Force*	120,021	120,021	120,021	120,021	120,021	Military Personnel, Air Force	01, 02	35 & 40 (for 01); 85 & 90 (for 02)
ANG*	4,874	4,874	4,874	4,874	4,874	National Guard Personnel, Air Force	01	90
USAFR*	11,130	11,130	11,130	11,130	11,130	Reserve Personnel, Air Force	01	90
Total	865,786	865,786	865,786	865,786	865,786			

Table 4b.	**RESOURCE REQUIREMENTS ($ MILLIONS)**							
	FY 2019	**FY 2020**	**FY 2021**	**FY 2022**	**FY 2023**	**Appropriation To**	**Budget Activity**	**Line Item**
Army*	$1,574	$1,574	$1,574	$1,574	$1,574	Military Personnel, Army	01, 02	35 & 40 (for 01), 85 & 90 (for 02)
ARNG*	$190.6	$190.6	$190.6	$190.6	$190.6	National Guard Personnel, Army	01	90
USAR*	$210.5	$210.5	$210.5	$210.5	$210.5	Reserve Personnel, Army	01	90
Navy*	$1,518	$1,518	$1,518	$1,518	$1,518	Military Personnel, Navy	01, 02	35 & 40 (for 01); 85 & 90 (for 02)
USNR*	$29.1	$29.1	$29.1	$29.1	$29.1	Reserve Personnel, Navy	01	90
Marine Corps*	$274	$274	$274	$274	$274	Military Personnel, Marine Corps	01, 02	35 & 40 (for 01); 85 & 90 (for 02)
USMCR*	$6.9	$6.9	$6.9	$6.9	$6.9	Reserve Personnel, Marine Corps	01	90
Air Force*	$1,085	$1,085	$1,085	$1,085	$1,085	Military Personnel, Air Force	01, 02	35 & 40 (for 01); 85 & 90 (for 02)

ANG*	$64.1	$64.1	$64.1	$64.1	$64.1	National Guard Personnel, Air Force	01	90
USAFR*	$40.3	$40.3	$40.3	$40.3	$40.3	Reserve Personnel, Air Force	01	90
Total	$4,992.7	$4,992.7	$4,992.7	$4,992.7	$4,992.7			

*** Values reflect FY2019 estimate in the Services FY2019 Budget Estimate.**

ONE-YEAR EXTENSION OF AUTHORITY TO PROVIDE TEMPORARY INCREASE IN RATES OF BASIC ALLOWANCE FOR HOUSING:

Budget Implications: This section will extend for one year the Secretary of Defense authority to temporarily increase basic allowance for housing rates for areas hit by a major disaster or experiencing a sudden increase in the number of members of the armed forces assigned to an installation. Currently the Department is not utilizing this authority, however, the authority is necessary to provide assistance to members impacted by a disaster similar to Hurricane Katrina in New Orleans. The military departments do not project expenditures for this allowance in their budget proposals.

Table 5a.	**NUMBER OF PERSONNEL AFFECTED**							
	FY 2019	**FY 2020**	**FY 2021**	**FY 2022**	**FY 2023**	**Appropriation To**	**Budget Activity**	**Line Item**
Army*	0	0	0	0	0	Military Personnel, Army	01, 02	25 (for 01), 80 (for 02)
Navy*	0	0	0	0	0	Military Personnel, Navy	01, 02	25 (for 01); 80 (for 02)
Marine Corps*	0	0	0	0	0	Military Personnel, Marine Corps	01, 02	25 (for 01); 80 (for 02)
Air Force*	0	0	0	0	0	Military Personnel, Air Force	01, 02	25 (for 01); 80 (for 02)
Total	0	0	0	0	0			

Table 5b.	**RESOURCE REQUIREMENTS ($ MILLIONS)**							
	FY 2019	**FY 2020**	**FY 2021**	**FY 2022**	**FY 2023**	**Appropriation To**	**Budget Activity**	**Line Item**
Army*	$0	$0	$0	$0	$0	Military Personnel, Army	01, 02	25 (for 01), 80 (for 02)
Navy*	$0	$0	$0	$0	$0	Military Personnel, Navy	01, 02	25 (for 01); 80 (for 02)

Marine Corps*	$0	$0	$0	$0	$0	Military Personnel, Marine Corps	01, 02	25 (for 01); 80 (for 02)
Air Force*	$0	$0	$0	$0	$0	Military Personnel, Air Force	01, 02	25 (for 01); 80 (for 02)
Total	$0	$0	$0	$0	$0			

Changes to Existing Laws: This proposal would make the following changes to title 10 and title 37, United States Code:

TITLE 10, UNITED STATES CODE

*****

§ 2130a. Financial assistance: nurse officer candidates

(a) BONUS AUTHORIZED.—(1) A person described in subsection (b) who, during the period beginning on November 29, 1989, and ending on ~~December 31, 2018~~ December 31, 2019, executes a written agreement in accordance with subsection (c) to accept an appointment as a nurse officer may, upon the acceptance of the agreement by the Secretary concerned, be paid an accession bonus of not more than $20,000. The bonus shall be paid in periodic installments, as determined by the Secretary concerned at the time the agreement is accepted, except that the first installment may not exceed $10,000.

(2) In addition to the accession bonus payable under paragraph (1), a person selected under such paragraph shall be entitled to a monthly stipend in an amount not to exceed the stipend rate in effect under section 2121(d) of this title for each month the individual is enrolled as a full-time student in an accredited baccalaureate degree program in nursing at a civilian educational institution by the Secretary selecting the person. The continuation bonus may be paid for not more than 24 months.

*****

§ 16302. Education loan repayment program: health professions officers serving in Selected Reserve with wartime critical medical skill shortages

*****

(d) The authority provided in this section shall apply only in the case of a person first appointed as a commissioned officer before ~~December 31, 2018~~ December 31, 2019.

*****

———

TITLE 37, UNITED STATES CODE

*****

§ 331. General bonus authority for enlisted members

*****

(h) TERMINATION OF AUTHORITY.—No agreement may be entered into under this section after ~~December 31, 2018~~ December 31, 2019.

*****

§ 332. General bonus authority for officers

****

(g) TERMINATION OF AUTHORITY.—No agreement may be entered into under this section after ~~December 31, 2018~~ December 31, 2019.

*****

§ 333. Special bonus and incentive pay authorities for nuclear officers

****

(i) TERMINATION OF AUTHORITY.—No agreement may be entered into under this section after ~~December 31, 2018~~ December 31, 2019.

****

§ 334. Special aviation incentive pay and bonus authorities for officers

****

(i) TERMINATION OF AUTHORITY.—No agreement may be entered into under this section after ~~December 31, 2018~~ December 31, 2019.

****

§ 335. Special bonus and incentive pay authorities for officers in health professions

****

(k) TERMINATION OF AUTHORITY.—No agreement may be entered into under this section after ~~December 31, 2018~~ December 31, 2019.

*****

§ 336. Contracting bonus for cadets and midshipmen enrolled in the Senior Reserve Officers' Training Corps

****

(g) TERMINATION OF AUTHORITY.—No agreement under this section may be entered into after ~~December 31, 2018~~ December 31, 2019.

*****

§ 351. Hazardous duty pay

****

(h) TERMINATION OF AUTHORITY.—No hazardous duty pay under this section may be paid after ~~December 31, 2018~~ December 31, 2019.

*****

§ 352. Assignment pay or special duty pay

****

(g) TERMINATION OF AUTHORITY.—No agreement may be entered into under this section after ~~December 31, 2018~~ December 31, 2019.

****

§ 353. Skill incentive pay or proficiency bonus

****

(i) TERMINATION OF AUTHORITY.—No agreement may be entered into under this section after ~~December 31, 2018~~ December 31, 2019.

*****

§ 355. Special pay: retention incentives for members qualified in critical military skills or assigned to high priority units

*****

(h) TERMINATION OF BONUS AUTHORITY.—No bonus may be paid under this section with respect to any reenlistment, or voluntary extension of an enlistment, in the armed forces entered into after ~~December 31, 2018~~ December 31, 2019, and no agreement under this section may be entered into after that date.

*****

§ 403. Basic allowance for housing

*****

(b) BASIC ALLOWANCE FOR HOUSING INSIDE THE UNITED STATES.—*****

*****

(7)(A) *****

*****

(E) An increase in the rates of basic allowance for housing for an area may not be prescribed under this paragraph or continue after ~~December 31, 2018~~ December 31, 2019.

*****

§ 910. Replacement of lost income: involuntarily mobilized reserve component members subject to extended and frequent active duty service

*****

(g) TERMINATION.—No payment shall be made to a member under this section for months beginning after ~~December 31, 2018~~ December 31, 2019, unless the entitlement of the member to payments under this section is commenced on or before that date.

*****

TITLE VII—[RESERVED]

TITLE VIII—[RESERVED]

TITLE IX—[RESERVED]

TITLE X—GENERAL PROVISIONS

Section 1001. The amendments included in this proposal would ensure more comprehensive Inspector General (IG) oversight of an overseas contingency operation (OCO) by clarifying the responsibilities of the lead IG and other IGs, as stated in section 8L(d)(2) of the Inspector General Act of 1978, as amended. First, it clarifies an ambiguity in section 8L(d)(2)(D)(i) as to how the lead IG is to discharge oversight responsibilities in instances where none of the three IGs listed in section 8L(c) have primary jurisdiction by specifying that the lead IG is to identify and coordinate oversight with the appropriate IG. Second, it adds a new section

8L(d)(2)(D)(iii) clarifying the authority of the three IGs to investigate certain allegations of criminal activity in theater that might otherwise not be investigated. Third, it adds a new section 8L(d)(2)(I) clarifying (1) the authority of the lead IG to coordinate oversight activities with all other IGs conducting oversight related to an OCO, as well as (2) those IGs' responsibility to provide the lead IG information necessary for the lead IG to report Congress, as required by subparagraphs (B), (C) and (G) of section 8L(d)(2).

As written, section 8L(d)(2)(D)(i) does not state how the lead IG will exercise responsibility for discharging oversight responsibilities if none of the Inspectors General specified in subsection (c) has principal jurisdiction over a matter. To clarify this, the revised subsection emphasizes the lead IG's responsibility and authority to coordinate oversight with cognizant IGs to ensure that they exercise their section 2(1) responsibilities to conduct oversight of relevant programs and operations.

Due to limited access to in-theater programs and operations, cooperation between Inspectors General is an imperative. With respect to audits and evaluations, such inter-IG cooperation and support can be performed pursuant to section 6(a)(3) of the Inspector General Act. However, because the Department of Defense (DoD) Office of the Inspector General (OIG) and the other OIGs derive their law enforcement and criminal investigative responsibilities from separate statutory authorities, the extent to which the DoD IG is authorized to investigate non-DoD programs and operations and, conversely, the extent to which the State Department OIG and U.S. Agency for International Development OIG is authorized to investigate DoD programs and operations, is unclear.

Additionally, there may be a number of in-theater U.S. Government programs and operations that are not under the oversight of a cognizant IG. To remedy these gaps in criminal investigative oversight, section 8L(d)(2)(D)(iii) has been added. It provides that, upon the request of an IG, and with the approval of the lead IG, one of the three IGs may either provide criminal investigative support or, if need be, conduct an independent criminal investigation.

As stated in the draft, this support is limited to investigations of allegations of criminal activity by U.S. personnel, contractors, subcontractors, or venders within the theater of operations that relate to an OCO matter. Also, it permits one of the three IGs, at the request of the lead IG, to conduct a criminal investigation of a matter that is not under the oversight of an established IG.

Section 8L(d)(2)(B) of the Inspector General Act mandates that the lead IG, in coordination with the other two IG's specified in subsection (c), prepare a joint strategic plan to conduct comprehensive oversight over all aspects of the contingency operation. Yet it provides the lead IG no authority to obtain relevant information from the many other IGs responsible for providing oversight of programs and operations related to the operation.

Additionally, section 8L(d)(2)(C) requires the lead IG to review and ascertain the accuracy of information provided by Federal agencies relating to obligations and expenditures, costs of programs and projects, accountability of funds, and the award and execution of major

contracts, grants, and agreements in support of the contingency operation. Yet it provides the lead IG no mechanism to obtain this information.

Finally, section 8L(d)(2)(G) mandates that the IG submit a report on the entire contingency operation, without any mechanism for obtaining relevant information. The proposed new subparagraph (I) of section 8L(d)(2) clarifies that IGs responsible for conducting oversight of OCO-related programs and operations shall coordinate with the lead IG and shall, at the lead IG's request, provide information relevant information to facilitate the lead IG's discharge of these responsibilities.

Budget Implications: This proposal would not have any budget implications.

Changes to Existing Law: This proposal would make the following changes to section 8L of the Inspector General Act of 1978:

SEC. 8L. SPECIAL PROVISIONS CONCERNING OVERSEAS CONTINGENCY OPERATIONS.

(a) ADDITIONAL RESPONSIBILITIES OF CHAIR OF COUNCIL OF INSPECTORS GENERAL ON INTEGRITY AND EFFICIENCY.—Upon the commencement or designation of a military operation as an overseas contingency operation that exceeds 60 days, the Chair of the Council of Inspectors General on Integrity and Efficiency (CIGIE) shall, in consultation with the members of the Council, have the additional responsibilities specified in subsection (b) with respect to the Inspectors General specified in subsection (c).

(b) SPECIFIC RESPONSIBILITIES.—The responsibilities specified in this subsection are the following:

(1) In consultation with the Inspectors General specified in subsection (c), to designate a lead Inspector General in accordance with subsection (d) to discharge the authorities of the lead Inspector General for the overseas contingency operation concerned as set forth in subsection (d).

(2) To resolve conflicts of jurisdiction among the Inspectors General specified in subsection (c) on investigations, inspections, and audits with respect to such contingency operation in accordance with subsection (d)(2)(B).

(3) To assist in identifying for the lead inspector general for such contingency operation, Inspectors General and inspector general office personnel available to assist the lead Inspector General and the other Inspectors General specified in subsection (c) on matters relating to such contingency operation.

(c) INSPECTORS GENERAL.—The Inspectors General specified in this subsection are the Inspectors General as follows:

(1) The Inspector General of the Department of Defense.

(2) The Inspector General of the Department of State.

(3) The Inspector General of the United States Agency for International Development.

(d) LEAD INSPECTOR GENERAL FOR OVERSEAS CONTINGENCY OPERATION.—(1) A lead Inspector General for an overseas contingency operation shall be designated by the Chair of the Council of Inspectors General on Integrity and Efficiency under subsection (b)(1) not later than 30 days after the commencement or designation of the military operation concerned as an

overseas contingency operation that exceeds 60 days. The lead Inspector General for a contingency operation shall be designated from among the Inspectors General specified in subsection (c).

(2) The lead Inspector General for an overseas contingency operation shall have the following responsibilities:

(A) To appoint, from among the offices of the other Inspectors General specified in subsection (c), an Inspector General to act as associate Inspector General for the contingency operation who shall act in a coordinating role to assist the lead Inspector General in the discharge of responsibilities under this subsection.

(B) To develop and carry out, in coordination with the offices of the other Inspectors General specified in subsection (c), a joint strategic oversight plan to conduct comprehensive oversight over all aspects of the contingency operation and to ensure through either joint or individual audits, inspections, and investigations, independent and effective oversight of all programs and operations of the Federal Government in support of the contingency operation.

(C) To review and ascertain the accuracy of information provided by Federal agencies relating to obligations and expenditures, costs of programs and projects, accountability of funds, and the award and execution of major contracts, grants, and agreements in support of the contingency operation.

(D)(i) If none of the Inspectors General specified in subsection (c) has principal jurisdiction over a matter with respect to the contingency operation, to ~~exercise responsibility for discharging oversight responsibilities in accordance with this Act with respect to such matter~~identify and coordinate with the Inspector General with primary jurisdiction over the matter to ensure effective oversight.

(ii) If more than one of the Inspectors General specified in subsection (c) has jurisdiction over a matter with respect to the contingency operation, to determine principal jurisdiction for discharging oversight responsibilities in accordance with this Act with respect to such matter.

(iii) Upon the express written request of an Inspector General with primary jurisdiction over a matter with respect to the contingency operation, and with the approval of the lead Inspector General, an Inspector General specified in subsection (c) may provide investigative support or may conduct an independent investigation of an allegation of criminal activity by U.S. personnel, contractors, subcontractors, or venders within the theater of operations that relates to the matter. If the lead Inspector General determines that no Inspector General has primary jurisdiction over the matter, the lead Inspector General may conduct an independent investigation or may request that another Inspector General specified in subsection (c) conduct an independent investigation.

(E) To employ, or authorize the employment by the other Inspectors General specified in subsection (c), on a temporary basis using the authorities in section 3161 of title 5, United States Code, such auditors, investigators, and other personnel as the lead Inspector General considers appropriate to assist the lead Inspector General and such other Inspectors General on matters relating to the contingency operation.

(F) To submit to Congress on a bi-annual basis, and to make available on an Internet website available to the public, a report on the activities of the lead Inspector General and the other Inspectors General specified in subsection (c) with respect to the contingency operation, including—

(i) the status and results of investigations, inspections, and audits and of referrals to the Department of Justice; and

(ii) overall plans for the review of the contingency operation by inspectors general, including plans for investigations, inspections, and audits.

(G) To submit to Congress on a quarterly basis, and to make available on an Internet website available to the public, a report on the contingency operation.

(H) To carry out such other responsibilities relating to the coordination and efficient and effective discharge by the Inspectors General specified in subsection (c) of duties relating to the contingency operation as the lead Inspector General shall specify.

(I) An Inspector General responsible for conducting oversight of any program or operation performed in support of the contingency operation shall coordinate such oversight activities with the lead Inspector General and shall provide information requested by the lead Inspector General relating to the lead Inspector General's responsibilities specified in subparagraphs (B), (C), and (G) of subsection (d)(2).

(3)(A) The lead Inspector General for an overseas contingency operation may employ, or authorize the employment by the other Inspectors General specified in subsection (c) of, annuitants covered by section 9902(g) of title 5, United States Code, for purposes of assisting the lead Inspector General in discharging responsibilities under this subsection with respect to the contingency operation.

(B) The employment of annuitants under this paragraph shall be subject to the provisions of section 9902(g) of title 5, United States Code, as if the lead Inspector General concerned was the Department of Defense.

(C) The period of employment of an annuitant under this paragraph may not exceed three years, except that the period may be extended for up to an additional two years in accordance with the regulations prescribed pursuant to section 3161(b)(2) of title 5, United States Code.

(4) The lead Inspector General for an overseas contingency operation shall discharge the responsibilities for the contingency operation under this subsection in a manner consistent with the authorities and requirements of this Act generally and the authorities and requirements applicable to the Inspectors General specified in subsection (c) under this Act.

(e) SUNSET FOR PARTICULAR CONTINGENCY OPERATIONS.—The requirements and authorities of this section with respect to an overseas contingency operation shall cease at the end of the first fiscal year after the commencement or designation of the contingency operation in which the total amount appropriated for the contingency operation is less than $ 100,000,000.

(f) CONSTRUCTION OF AUTHORITY.—Nothing in this section shall be construed to limit the ability of the Inspectors General specified in subsection (c) to enter into agreements to conduct joint audits, inspections, or investigations in the exercise of their oversight responsibilities in accordance with this Act with respect to overseas contingency operations.

Section 1002 would repeal section 41106 of title 49, United States Code, in favor of a substantively identical statutory provision in section 9516 of title 10, United States Code. These statutory provisions address contracts for airlift service entered into by the Department of Defense, requiring that such contracts be awarded to air carriers participating in the Civil Reserve Air Fleet (CRAF) where appropriate. In order to avoid potential future conflict or divergence between the two provisions, one should be repealed. Because the provisions direct the Department of Defense to award contracts in a certain manner and relate to the CRAF

program, it is more appropriate that such direction be found in chapter 931 of title 10, rather than title 49, of the United States Code.

Budget Implications: If enacted, this proposal will not increase the budgetary requirements of the Department of Defense.

RESOURCE REQUIREMENTS ($MILLIONS)+								
	FY 2019	**FY 2020**	**FY 2021**	**FY 2022**	**FY 2023**	**Appropriation To**	**Budget Activity**	**Dash-1 Line Item**
Army	+0	+0	+0	+0	+0	Operation and Maintenance, Army		
Navy	+0	+0	+0	+0	+0	Operation and Maintenance, Navy		
Marine Corps	+0	+0	+0	+0	+0	Operation and Maintenance, Marine Corps		
Coast Guard	+0	+0	+0	+0	+0	Operation and Maintenance, Coast Guard		
Air Force	+0	+0	+0	+0	+0	Operation and Maintenance, Air Force		
DOD	+0	+0	+0	+0	+0	Operation and Maintenance, Defense-Wide		
Total	+0	+0	+0	+0	+0			

NUMBER OF PERSONNEL AFFECTED							
	FY 2019	**FY 2020**	**FY 2021**	**FY 2022**	**FY 2023**	**Appropriation To**	**Personnel Type (Officer, Enlisted, or Civilian)**
Army	0	0	0	0	0	N/A	N/A
Navy	0	0	0	0	0	N/A	N/A
*Marine Corps	0	0	0	0	0	N/A	N/A
Air Force	0	0	0	0	0	N/A	N/A

Total	0	0	0	0	0		

Cost Methodology: Not applicable.

Changes to Existing Law: This proposal would make the following changes to section 41106 of title 49, United States Code:

~~**§ 41106. Airlift service**~~

~~(a) INTERSTATE TRANSPORTATION.—(1) Except as provided in subsection (d) of this section, the transportation of passengers or property by CRAF-eligible aircraft in interstate air transportation obtained by the Secretary of Defense or the Secretary of a military department through a contract for airlift service in the United States may be provided only by an air carrier that—~~

~~(A) has aircraft in the civil reserve air fleet or offers to place aircraft in that fleet; and~~

~~(B) holds a certificate issued under section 41102 of this title.~~

~~(2) The Secretary of Transportation shall act as expeditiously as possible on an application for a certificate under section 41102 of this title to provide airlift service .~~

~~(b) TRANSPORTATION BETWEEN THE UNITED STATES AND FOREIGN LOCATIONS.—Except as provided in subsection (d), the transportation of persons or property by CRAF-eligible aircraft between a place in the United States and a place outside the United States obtained by the Secretary of Defense or the Secretary of a military department through a contract for airlift service shall be provided by an air carrier referred to in subsection (a).~~

~~(c) TRANSPORTATION BETWEEN FOREIGN LOCATIONS.—The transportation of passengers or property by CRAF-eligible aircraft between two places outside the United States obtained by the Secretary of Defense or the Secretary of a military department through a contract for airlift service shall be provided by an air carrier referred to in subsection (a) whenever transportation by such an air carrier is reasonably available.~~

~~(d) EXCEPTION.—When the Secretary of Defense decides that no air carrier holding a certificate under section 41102 is capable of providing, and willing to provide, the airlift service, the Secretary of Defense may make a contract to provide the service with an air carrier not having a certificate.~~

~~(e) CRAF-ELIGIBLE AIRCRAFT DEFINED.—In this section, 'CRAF-eligible aircraft' means aircraft of a type the Secretary of Defense has determined to be eligible to participate in the civil reserve air fleet.~~

Section 1003. Section 1241 of the FY 2017 NDAA (Public Law 114-328) redesignated chapter 15 of title 10, United States Code, as chapter 13, and redesignated sections 331-335 as sections 251-255, respectively. The above technical corrections were not enacted.

Budget Implications: This proposal is a technical change without budget implications. The technical change will add conforming amendments that were originally omitted when enacted.

Changes to Existing Law: This proposal would make the following changes to law:

HOMELAND SECURITY ACT OF 2002

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SEC. 886. SENSE OF CONGRESS REAFFIRMING THE CONTINUED IMPORTANCE AND APPLICABILITY OF THE POSSE COMITATUS ACT.

(a) FINDINGS.—

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(5) Existing laws, including ~~chapter 15~~ chapter 13 of title 10, United States Code (commonly known as the "Insurrection Act"), and the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), grant the President broad powers that may be invoked in the event of domestic emergencies, including an attack against the Nation using weapons of mass destruction, and these laws specifically authorize the President to use the Armed Forces to help restore public order.

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CONSOLIDATED FARM AND RURAL DEVELOPMENT ACT

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SEC. 332. RELIEF FOR MOBILIZED MILITARY RESERVISTS FROM CERTAIN AGRICULTURAL LOAN OBLIGATIONS.

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(a) DEFINITION OF MOBILIZED MILITARY RESERVIST.—In this section, the term "mobilized military reservist" means an individual who—

(1) is on active duty under section 688, 12301(a), 12301(g), 12302, 12304, 12306, or 12406, or ~~chapter 15~~ chapter 13 of title 10, United States Code, or any other provision of law during a war or during a national emergency declared by the President or Congress, regardless of the location at which the active duty service is performed; or

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———

TITLE 10, UNITED STATES CODE

*****

§ 101. Definitions

(a) IN GENERAL.—The following definitions apply in this title:

*****

(13) The term "contingency operation" means a military operation that—

(A) is designated by the Secretary of Defense as an operation in which members of the armed forces are or may become involved in military actions, operations, or hostilities against an enemy of the United States or against an opposing military force; or

(B) results in the call or order to, or retention on, active duty of members of the uniformed services under section 688, 12301(a), 12302, 12304, 12304a, 12305, or 12406 of this title, ~~chapter 15~~ chapter 13 of this title, section 712 of title 14, or any other provision of law during a war or during a national emergency declared by the President or Congress.

*****

§ 115. Personnel strengths: requirement for annual authorization

(i) CERTAIN PERSONNEL EXCLUDED FROM COUNTING FOR ACTIVE-DUTY END STRENGTHS.—In counting personnel for the purpose of the end strengths authorized pursuant to subsection (a)(1), persons in the following categories shall be excluded:

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(6) Members of the militia called into Federal service under ~~chapter 15~~ chapter 13 of this title.

§ 386. Annual report

*****

(c) **SPECIFIED AUTHORITIES**.—The authorities specified in this subsection are the following authorities (or any successor authorities):

(1) ~~Sections 311, 321, 331, 332, 333,~~ Sections 246, 251, 252, 253, 321, 344, 348, 349, and 350 of this title.

*****

§ 10541. National Guard and reserve component equipment: annual report to Congress

(a) The Secretary of Defense shall submit to the Congress each year, not later than March 15, a written report concerning the equipment of the National Guard and the reserve components of the armed forces for each of the three succeeding fiscal years.

(b) Each report under this section shall include the following:

*****

(9) An assessment of the extent to which the National Guard possesses the equipment required to perform the responsibilities of the National Guard pursuant to sections ~~331, 332, 333~~ 251, 252, 253, 12304(b), and 12406 of this title in response to an emergency or major disaster (as such terms are defined in section 102 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122)). Such assessment shall—

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§ 12304. Selected Reserve and certain Individual Ready Reserve members; order to active duty other than during war or national emergency

*****

(c) LIMITATIONS.—(1) No unit or member of a reserve component may be ordered to active duty under this section to perform any of the functions authorized by ~~chapter 15~~ chapter 13 or section 12406 of this title or, except as provided in subsection (b), to provide assistance to either the Federal Government or a State in time of a serious natural or manmade disaster, accident, or catastrophe.

*****

HIGHER EDUCATION ACT OF 1965

§ 484C. Readmission requirements for service members

(c) Readmission procedures.—

*****

(3) **APPLICABILITY**.—This section shall apply to a student who is absent from an institution of higher education by reason of service in the uniformed services if such student's cumulative period of service in the Armed Forces (including the National Guard or Reserve), with respect to the institution of higher education for which a student seeks readmission, does not exceed five years, except that any such period of service shall not include any service—

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(C) performed by a member of the Armed Forces (including the National Guard and Reserves) who is-

(i) ordered to or retained on active duty under section 688, 12301(a), 12301(g), 12302, 12304, or 12305 of title 10 or under ~~section 331, 332,~~ section 251, 252, 359, 360, 367, or 712 of title 14;

(ii) ordered to or retained on active duty (other than for training) under any provision of law because of a war or national emergency declared by the President or the Congress, as determined by the Secretary concerned;

(iii) ordered to active duty (other than for training) in support, as determined by the Secretary concerned, of an operational mission for which personnel have been ordered to active duty under section 12304 of title 10;

(iv) ordered to active duty in support, as determined by the Secretary concerned, of a critical mission or requirement of the Armed Forces (including the National Guard or Reserve); or

(v) called into Federal service as a member of the National Guard under ~~chapter 15~~ chapter 13 of title 10 or section 12406 of title 10.

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TITLE XI—CIVILIAN PERSONNEL MATTERS

Section 1101 adds a new section in title 10 of the United States Code authorizing regulations establishing a program of on-duty reasonable suspicion and post-accident alcohol testing for Military Sealift Command (MSC) civil service mariners (CIVMARs). The proposal also amends section 7479 of title 10, United States Code, to permit release of alcohol testing results.

It is MSC's policy to provide and maintain a safe workplace and to ensure efficient MSC operations. To accomplish this, CIVMARs are responsible for being free of the influence of alcohol when reporting for duty and throughout duty hours. Being under the influence of alcohol when reporting for duty or throughout duty hours is incompatible with not only the maintenance of high standards of conduct and performance, but also most importantly, the safety sensitive nature of the work performed by MSC CIVMARs onboard MSC vessels. Intoxicated workers put both the Navy and DoD at risk as those under the influence could adversely affect personnel safety, risk damage to government and personal property, and significantly impair day-to-day operations.

These risks were most evident following the Exxon *Valdez* oil spill in 1989. Following that tragic incident, Congress specifically focused on the risk of spills caused by oil tanker personnel who are under the influence of alcohol in the development of the Oil Pollution Act of 1990. The Senate Report on that legislation referenced concerns that "the captain of the Exxon Valdez had a blood alcohol level of .06 when tested nine hours after the vessel ran aground. This is in excess of the current Coast Guard regulations which prohibit the operation of a vessel with a blood alcohol content greater than .04". It was further noted that "it is beyond dispute that the public has an overriding interest in assuring that oil tanker personnel performing duties which directly affect the safety of a vessel's navigation or operations do so free of the influence of alcohol," and that "the Committee believes strongly that serving in safety sensitive positions on oil tankers while impaired by alcohol is wholly incompatible with the need to ensure safe operations." *See Sen.Rep. No. 99, 101st Cong.2d Sess. 10 (1990), reprinted in 1990 U.S.C.C.A.N. 722, 750, 758-759.*

Consistent with these views, the Coast Guard has promulgated regulations under 33 C.F.R. 95.035 permitting a marine employer to require crew members on commercial vessels to undergo a chemical test for alcohol or drugs when the crew member is involved in an accident or is suspected of being intoxicated. However, this regulation does not apply to public vessels, such as the MSC vessels to which CIVMARs are assigned.

While MSC ships are public vessels as defined in 46 U.S.C. 2101, MSC and the U.S. Coast Guard (USCG) have a memorandum of agreement which establishes procedures to be followed regarding certain activities related to the inspection and certification of vessels in the United States Naval Ship (USNS) fleet. Given the absence of legislative authority to administer alcohol testing on civilian employees of public vessels, this MOA does not extend the USCG regulations providing for alcohol testing to MSC's CIVMARs. However, this MOA does require

that all civilian crewmembers on MSC government-owned, government-operated vessels hold a USCG merchant mariner credential. Credentialing for these personnel is a condition of employment aboard all MSC vessels and the personnel are considered to be acting under the authority of their USCG issued credential. The USCG asserts jurisdiction over our CIVMARs because they possess these credentials.

It is under this justification that MSC currently conducts alcohol testing consistent with parts 4 and 16 of title 46, Code of Federal Regulations (CFR), and under the authority of its internal Civilian Marine Personnel Instruction (CMPI) 790, Alcohol Breath Testing. However, the lack of statutory authority in the United States Code could potentially put the Command at risk if the policy and procedures in CMPI 790 were challenged. This lack of authority could also prevent MSC and USCG from excluding alcohol as a contributing factor to an accident during an investigation.

By providing MSC express unequivocal authority to monitor and test its CIVMARs onboard its vessels for alcohol usage, this proposed legislation would fill this void of legislative authority for MSC alcohol testing onboard public vessels, i.e., MSC's government-owned and government-operated vessels. These MSC public vessels are similar in need and justification for such testing to commercial vessels governed by the USCG alcohol testing regulations.

This proposed legislation will further allow MSC to ensure the safe navigation and operation of its ships, which are loaded with petroleum products or explosives and other ammunition. In the same way that the public expects that a motorman on a railway train, or the Captain of an oil tanker following the Exxon *Valdez* incident, would not be operating that machinery while intoxicated, the public would expect the same from MSC CIVMARs aboard our ships. The concerns underlying the Exxon *Valdez* incident as shared in the Senate Report referenced above, are no less a concern here. Like the sea-going positions of those onboard the Exxon *Valdez,* MSC CIVMAR positions onboard MSC vessels are also significant safety-laden positions requiring skilled and unimpaired performance or service. Authorization to conduct alcohol testing following a major accident or when such an employee reports for work visibly intoxicated, is the tool necessary to ensure that CIVMARs remain unimpaired by alcohol while conducting ship operations, in turn ensuring the safe navigation of the ship.

If enacted, this proposal will provide the statutory basis needed to defend the implementation and execution of this policy and will help ensure that MSC maintains a safe and secure workplace, and that it can efficiently and effectively execute its stated Department of the Navy (DON) mission to provide logistics and strategic sealift support to the Naval fleet worldwide.

Budget Implications: There are no anticipated additional resource requirements associated with this proposal. The testing process is currently in-place and MSC owns the necessary alcohol testing (BAT) equipment.

RESOURCE REQUIREMENTS ($MILLIONS)+									
	FY 2019	**FY 2020**	**FY 2021**	**FY 2022**	**FY 2023**	**Appropriation From**	**Budget Activity**	**Dash-1 Line Item**	**Program Element**

Total	$0	$0	$0	$0	$0	--	--	--	--

Changes to Existing Law:

This proposal adds a new section 7481 to title 10 of the United States Code.

This proposal makes the following changes to section 7479 of title 10, United States Code:

§7479. Civil service mariners of Military Sealift Command: release of drug or alcohol test results to Coast Guard

(a) Release of Drug or Alcohol Test Results to Coast Guard.-The Secretary of the Navy may release to the Commandant of the Coast Guard the results of a drug or alcohol test of any employee of the Department of the Navy who is employed in any capacity on board a vessel of the Military Sealift Command. Any such release shall be in accordance with the standards and procedures applicable to the disclosure and reporting to the Coast Guard of drug or alcohol tests results and drug or alcohol test records of individuals employed on vessels documented under the laws of the United States.

(b) Waiver.-The results of a drug or alcohol test of an employee may be released under subsection (a) without the prior written consent of the employee that is otherwise required under section 503(e) of the Supplemental Appropriations Act, 1987 (5 U.S.C. 7301 note).

Section 1102 would extend through fiscal year (FY) 2020 the discretionary authority of the head of an agency to provide to an individual employed by, or assigned or detailed to, such agency, allowances, benefits, and gratuities comparable to those provided by the Secretary of State to members of the Foreign Service under section 413 and chapter 9 of title I of the Foreign Service Act of 1980 (22 U.S.C. 3973; 4081 et seq.), if such individual is on official duty in Pakistan or a combat zone (as defined by section 112(c) of the Internal Revenue Code of 1986).

This authority has been granted since 2006 to provide certain allowances, benefits, and gratuities to individuals on official duty in Pakistan or a combat zone. The extension of the authority would ensure employees receive benefits promptly and for the periods of time when the conditions warrant the designation of a combat zone. This is a provision that applies to all Federal agencies, not just the Department of Defense (DoD), and is necessary to incentivize and support all Federal civilian employees taking assignments in Pakistan or a combat zone.

Budget Implications: The costing methodology for this legislative proposal is based on the number of DoD civilian employees currently deployed to Pakistan or a combat zone, times the cost associated with each allowance, benefit, and gratuity under section 413 and chapter 9 of title I of the Foreign Service Act of 1980 (i.e., death gratuity equal to EX-II ($187,000 in 2017); and payment of commercial roundtrip travel for Rest and Recuperation (R&R) breaks (up to three per year for employees deployed for 12 consecutive months and home leave). Specifically, the total cost for the death gratuity is calculated based on the assumption that there is one civilian death per Component during the two year period. This cost is added to FY 2019. Payment of commercial roundtrip travel for R&R is based on the estimated number of currently deployed civilians who will remain deployed

for 12 consecutive months, and thus are entitled to up to three R&R breaks and home leave. Estimates of the number of employees are: Army – 503; Navy – 333; Air Force – 55; Defense Agencies – 109 (see breakdown below). The average cost for each roundtrip travel for R&R is $18,000. The resources reflected in the table below are funded within the FY19 President's Budget. Only Defense Agencies that anticipate having employees assigned to areas covered by this authority are identified in the budget table below.

RESOURCE REQUIREMENTS ($MILLIONS)											
	FY 2017 (actual)	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	Appropriation From	Budget Activity	Dash-1 Line Item	Program Element
Army (503)		8.876	9.054	9.235	9.420	9.608	9.800	Operation and Maintenance, Army OCO	1	135	
Navy (333)		5.876	5.994	6.114	6.236	6.361	6.488	Operation and Maintenance, Navy OCO	1	1C6C	
Air Force (55)		0.971	0.990	1.010	1.030	1.051	1.072	Operation and Maintenance, Air Force OCO	1	015F	
DLA (83)		1.465	1.494	1.524	1.554	1.585	1.617	Defense Working Capital Funds, Defense-Wide (OCO)			
DCMA (18)		0.318	0.324	0.330	0.337	0.344	0.351	Operation and Maintenance, OCO		4GTO	
DISA (4)		0.071	0.072	0.073	0.074	0.075	0.077	Operation and Maintenance, OCO		4GT9	
DCAA (4)		0.071	0.072	0.073	0.074	0.075	0.077	Operation and Maintenance, OCO		4GT6	
OSD (0)		0	0	0	0	0	0	Operation and Maintenance, OCO		4GTN	
DFAS (0)		0	0	0	0	0	0	Defense Working Capital Funds, Defense-Wide (OCO			
WHS (0)		0	0	0	0	0	0	Operation and Maintenance, OCO		4GTQ	
Joint Staff (0)		0	0	0	0	0	0	Operation and Maintenance, OCO		1PL1	
Total		17.648	18.000	18.359	18.725	19.099	19.482				

Changes to Existing Law: This proposal would make the following change to section 1603 of the Emergency Supplemental Appropriations Act for Defense, the Global War on Terror, and Hurricane Recovery, 2006 (Public Law 109-234; 120 Stat. 443):

SEC. 1603. (a) IN GENERAL.—(1) During fiscal years 2006 (including the period beginning on October 1, 2005, and ending on June 15, 2006), 2007, and 2008 the head of an agency may, in the agency head's discretion, provide to an individual employed by, or assigned or detailed to, such agency allowances, benefits, and gratuities comparable to those provided

by the Secretary of State to members of the Foreign Service under section 413 and chapter 9 of title I of the Foreign Service Act of 1980 (22 U.S.C. 3973; 4081 et seq.), if such individual is on official duty in Iraq or Afghanistan.

(2) During fiscal years 2009 through ~~2019~~**2020,** the head of an agency may, in the agency head's discretion, provide to an individual employed by, or assigned or detailed to, such agency allowances, benefits, and gratuities comparable to those provided by the Secretary of State to members of the Foreign Service under section 413 and chapter 9 of title I of the Foreign Service Act of 1980, if such individual is on official duty in Pakistan or a combat zone (as defined by section 112(c) of the Internal Revenue Code of 1986).

(b) CONSTRUCTION.—Nothing in this section shall be construed to impair or otherwise affect the authority of the head of an agency under any other provision of law.

(c) APPLICABILITY OF CERTAIN AUTHORITIES.—Section 912(a) of the Internal Revenue Code of 1986 shall apply with respect to amounts received as allowances or otherwise under this section in the same manner as section 912 of the Internal Revenue Code of 1986 applies with respect to amounts received by members of the Foreign Service as allowances or otherwise under chapter 9 of title I of the Foreign Service Act of 1980.

Section 1103 would amend section 9902 of title 5, United States Code (U.S.C.), to provide time-limited employees of the Department of Defense (DoD) with eligibility for consideration when DoD hiring organizations consider individuals from outside of the Department under merit promotion procedures, correcting the inequity in treatment of DoD time-limited employees created by the Land Management Workforce Flexibility Act and section 1135 of the National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2017.

DoD time-limited employees are not provided the same consideration as land management agency eligibles when DoD organizations consider merit promotion eligibles outside of the Department. Section 1135 of the NDAA for FY 2017 amended the Land Management Workforce Flexibility Act, allowing time-limited land management employees to be considered for any agency's (as defined in 5 U.S.C. 101) merit promotion opportunities when that agency accepts applications from individuals outside its own workforce. In addition, such section 1135 directed "land management agencies" to consider land management eligibles (as designated by chapter 96 of title 5, U.S.C.) when such agency is accepting applications, both within and outside of that agency, under merit promotion procedures. As a result, land management employees may be considered for positions within DoD for which DoD employees may not be considered.

Budget Implications: There is no anticipated savings or costs by enacting this law modification.

Changes to Existing Law: This proposal would make the following changes to section 9902 of title 5, United States Code:

§ 9902. Department of Defense personnel authorities

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(h) PROVISIONS RELATED TO CONSIDERATION OF DEPARTMENT OF DEFENSE EMPLOYEES WITH NON-PERMANENT APPOINTMENTS.—(1) Notwithstanding chapter 33 or any other provision of law relating to the examination, certification, and appointment of individuals in the competitive service, an employee of the Department of Defense serving under a time-limited appointment in the competitive service is eligible to compete for a permanent appointment in the competitive service when the Department of Defense is accepting applications from individuals within the Department of Defense's workforce under merit promotion procedures, or when the Department of Defense is accepting applications from individuals outside its own workforce under the merit promotion procedures if—

(A) the employee was appointed initially under open, competitive examination under subchapter I of chapter 33 to the time-limited appointment;

(B) the employee has served under one or more time-limited appointments within the Department of Defense for a period or periods totaling more than 24 months without a break of two or more years; and

(C) the employee's performance has been at an acceptable level of performance throughout the period or periods referred to in subparagraph (B).

(2) In determining the eligibility of a time-limited employee under this section to be examined for or appointed in the competitive service, the Office of Personnel Management or other examining agency shall waive requirements as to age, unless the requirement is essential to the performance of the duties of the position.

(3) An individual appointed under this section—

(A) becomes a career-conditional employee, unless the employee has otherwise completed the service requirements for career tenure; and

(B) acquires competitive status upon appointment.

(4) A former employee of the Department of Defense who served under a time-limited appointment and who otherwise meets the requirements of this section shall be deemed a time-limited employee of the Department of Defense for purposes of this section if—

(A) such employee applies for a position covered by this section within the period of 2 years after the most recent date of separation; and

(B) such employee's most recent separation was for reasons other than misconduct or performance.

~~(h)~~(i) Reports.—*****

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TITLE XII—MATTERS RELATING TO FOREIGN NATIONS

Section 1201 would revise two statutes to reflect the current North Atlantic Treaty Organization (NATO) organizational structure and would permit NATO Agency Reform processes to apply U.S. statutory provisions to the updated NATO organization.

The legislative proposal updates a reference to NATO Support and Procurement Organization (NSPO) from the former references to NATO Support Organization. Effective April 1, 2015, as part of NATO Agency Reform, the NATO Support Organization (NSPO) and its executive agency, the NATO Support Agency (NSPA), were merged with the NATO

Procurement Organization (NPO), to form the NATO Support and Procurement Organization (NSPO) and its executive agency, the NATO Support and Procurement Agency (NSPA). The United States identified two statutes where NATO entities affected by the merger were mentioned by name: Section 2350d of title 10, United States Code, and section 21 of the Arms Export Control Act (22 U.S.C. 2761). A search of the United States Code did not show that any of the other NATO organizations affected by the merger were named specifically.

This legislative proposal also updates the statute to use the term "Support or Procurement Partnership Agreement" instead of "Support Partnership Agreement" to encompass authorization for both procurement and services provided through NSPO and its executive agencies. Those statutes confer certain authorities when dealing with those entities that are not necessarily extended to successor entities. 10 U.S.C. 2350d provides authority for the Secretary of Defense to enter into Support Partnership Agreements (SPs) with one or more governments or other member countries participating in the operation of the NATO Support Partnership Organization and its executive agencies.

The proposed deletion of the words "in Europe" in 10 U.S.C. 2350d(b)(1) removes the geographic limitation, which negatively impacts support to current and future NATO "out-of-area" operations. This legislative proposal would revise the statute to remove the geographic limitation associated with support or procurement partnership agreements with one or more governments of other member countries of the NATO participating in the operation of the NSPO and its executive agencies. The "in Europe" geographic limitation negatively impacts support to current and future NATO "out-of-area" operations, and deletion of the words "in Europe" would align with the President's call for greater NATO support to defeat the Islamic State of Iraq and the Levant (ISIS). The rationale for the proposed change to 10 U.S.C. 2350d(b)(1) is to enable the use of support or procurement partnership agreements to support ongoing operations in Afghanistan and enable effective support mechanisms to support potential NATO operations to support efforts, for example, to defeat terrorism in Iraq, Syria, Africa, or other areas of the world.

Section 21 of the Arms Export Control Act (22 U.S.C. 2761) is a basic authority to sell U.S. defense articles from stock to eligible foreign governments and international organizations. The section also requires collection of costs to cover the management of the foreign military sales (FMS) program and permits the waiver of such costs in any sale to NSPA in support of a Support Partnership. Section 21(e)(3) allows those administrative costs to be waived for NSPA Letters of Offer and Acceptance (LOAs) in support of an SP (or NATO SHAPE projects). The United States is allowed to subsidize that surcharge; the authority to waive the FMS administrative surcharge for NSPA is based on statutory authority that is specific to NSPA.

Budget Implications: This proposal would have no effect on the Department of Defense budget. Amending current law to conform statutory references to the revised names and roles of NSPO does not have any budget effect on the U.S. Government, and all administrative changes related to the name change have been previously made. The proposal neither changes any existing authorities nor provides any new authorities. Amending current law to conform to the existence of NATO "out-of-area" operations does not have any budget effect.

RESOURCE REQUIREMENTS ($MILLIONS)

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	Appropriation To	Budget Activity	Dash-1 Line Item	Program Element
State	0.0	0.0	0.0	0.0	0.0				
DOD	0.0	0.0	0.0	0.0	0.0				

Changes to Existing Law: This proposal would make the following changes to existing law:

TITLE 10, UNITED STATES CODE

§2350d. Cooperative logistic support agreements: NATO countries

(a) GENERAL AUTHORITY.—(1) The Secretary of Defense may enter into bilateral or multilateral agreements known as ~~Support Partnership Agreements~~ Support or Procurement Partnership Agreements with one or more governments of other member countries of the North Atlantic Treaty Organization (NATO) participating in the operation of the ~~NATO Support Organization~~ NATO Support and Procurement Organization and its executive agencies. Any such agreement shall be for the purpose of providing cooperative logistics support for the armed forces of the countries which are parties to the agreement. Any such agreement—

(A) shall be entered into pursuant to the terms of the charter of the ~~NATO Support Organization~~ NATO Support and Procurement Organization and its executive agencies; and

(B) shall provide for the common logistic support of activities common to the participating countries.

(2) Such an agreement may provide for—

(A) the transfer of logistics support, supplies, and services by the United States to the ~~NATO Support Organization~~ NATO Support and Procurement Organization and its executive agencies; and

(B) the acquisition of logistics support, supplies, and services by the United States from that Organization.

(b) AUTHORITY OF SECRETARY.—Under the terms of a ~~Support Partnership Agreement~~ Support or Procurement Partnership Agreement, the Secretary of Defense—

(1) may agree that the ~~NATO Support Organization~~ NATO Support and Procurement Organization and its executive agencies may enter into contracts for supply and acquisition of logistics support ~~in Europe~~ for requirements of the United States, to the extent the Secretary determines that the procedures of such Organization governing such supply and acquisition are appropriate; and

(2) may share the costs of set-up charges of facilities for use by the ~~NATO Support Organization~~ NATO Support and Procurement Organization and its executive agencies to provide cooperative logistics support and in the costs of establishing a revolving fund for initial acquisition and replenishment of supply stocks to be used by the ~~NATO Support Organization~~ NATO Support and Procurement Organization and its executive agencies to provide cooperative logistics support.

(c) SHARING OF ADMINISTRATIVE EXPENSES.—Each ~~Support Partnership Agreement~~ Support or Procurement Partnership Agreement shall provide for joint management by the participating countries and for the equitable sharing of the administrative costs and costs of claims incident to the agreement.

(d) APPLICATION OF CHAPTER 137.—Except as otherwise provided in this section, the provisions of chapter 137 of this title apply to a contract entered into by the Secretary of Defense for the acquisition of logistics support under a ~~Support Partnership Agreement~~ Support or Procurement Partnership Agreement.

(e) APPLICATION OF ARMS EXPORT CONTROL ACT.—Any transfer of defense articles or defense services to a member country of the North Atlantic Treaty Organization or to the ~~NATO Support Organization~~ NATO Support and Procurement Organization and its executive agencies for the purposes of a ~~Support Partnership Agreement~~ Support or Procurement Partnership Agreement shall be carried out in accordance with this chapter and the Arms Export Control Act (22 U.S.C. 2751 et seq.).

(f) SUPPLEMENTAL AUTHORITY.—The authority of the Secretary of Defense under this section is in addition to the authority of the Secretary under subchapter I and any other provision of law.

ARMS EXPORT CONTROL ACT

SEC. 21. SALES FROM STOCKS.—(a)(1) The President may sell defense articles and defense services from the stocks of the Department of Defense and the Coast Guard to any eligible country or international organization if such country or international organization agrees to pay in United States dollars—

(A) in the case of a defense article not intended to be replaced at the time such agreement is entered into, not less than the actual value thereof;

(B) in the case of a defense article intended to be replaced at the time such agreement is entered into, the estimated cost of replacement of such article, including the contract or production costs less any depreciation in the value of such article; or

(C) in the case of the sale of a defense service, the full cost to the United States Government of furnishing such service, except that in the case of training sold to a purchaser who is concurrently receiving assistance under chapter 5 of part II of the Foreign Assistance Act of 1961, only those additional costs that are incurred by the United States Government in furnishing such assistance.

(2) For purposes of subparagraph (A) of paragraph (1), the actual value of a naval vessel of 3,000 tons or less and 20 years or more of age shall be considered to be not less than the greater of the scrap value or fair value (including conversion costs) of such vessel, as determined by the Secretary of Defense.

* * * * *

(e)(1) After September 30, 1976, letters of offer for the sale of defense articles or for the sale of defense services that are issued pursuant to this section or pursuant to section 22 of this Act shall include appropriate charges for—

(A) administrative services, calculated on an average percentage basis to recover the full estimated costs (excluding a pro rata share of fixed base operations costs) of administration of sales made under this Act to all purchasers of such articles and services as specified in section 43(b) and section 43(c) of this Act;

(B) a proportionate amount of any nonrecurring costs of research, development, and production of major defense equipment (except for equipment wholly paid for either from funds transferred under section 503(a)(3) of the Foreign Assistance Act of 1961 or from funds made available on a nonrepayable basis under section 23 of this Act); and

(C) the recovery of ordinary inventory losses associated with the sale from stock of defense articles that are being stored at the expense of the purchaser of such articles.

(2)(A) The President may reduce or waive the charge or charges which would otherwise be considered appropriate under paragraph (1)(B) for particular sales that would, if made, significantly advance United States Government Arms Export interests in North Atlantic Treaty Organization standardization, standardization with the Armed Forces of Japan, Australia, the Republic of Korea, Israel, or New Zealand in furtherance of the mutual defense treaties between the United States and those countries, or foreign procurement in the United States under coproduction arrangements.

(B) The President may waive the charge or charges which would otherwise be considered appropriate under paragraph (1)(B) for a particular sale if the President determines that—

(i) imposition of the charge or charges likely would result in the loss of the sale; or

(ii) in the case of a sale of major defense equipment that is also being procured for the use of the Armed Forces, the waiver of the charge or charges would (through a resulting increase in the total quantity of the equipment purchased from the source of the equipment that causes a reduction in the unit cost of the equipment) result in a savings to the United States on the cost of the equipment procured for the use of the Armed Forces that substantially offsets the revenue foregone by reason of the waiver of the charge or charges.

(C) The President may waive, for particular sales of major defense equipment, any increase in a charge or charges previously considered appropriate under paragraph (1)(B) if the increase results from a correction of an estimate (reasonable when made) of the production quantity base that was used for calculating the charge or charges for purposes of such paragraph.

(3)(A) The President may waive the charges for administrative services that would otherwise be required by paragraph (1)(A) in connection with any sale to the ~~North Atlantic Treaty Organization (NATO) Support Organization~~ North Atlantic Treaty Organization (NATO) Support and Procurement Organization and its executive agencies in support of—

(i) a ~~support partnership agreement~~ support or procurement partnership agreement; or

(ii) a NATO/SHAPE project.

(B) The Secretary of Defense may reimburse the fund established to carry out section 43(b) of this Act in the amount of the charges waived under subparagraph (A) of this paragraph. Any such reimbursement may be made from any funds available to the Department of Defense.

(C) As used in this paragraph—

(i) the term "~~weapon system partnership agreement~~ support or procurement partnership agreement" means an agreement between two or more member countries of the ~~North Atlantic Treaty Organization (NATO) Support Organization~~ North Atlantic Treaty Organization (NATO) Support and Procurement Organization and its executive agencies that—

(I) is entered into pursuant to the terms of the charter of that organization; and

(II) is for the common logistic support of activities common to the participating countries; and

(ii) the term "NATO/SHAPE project" means a common-funded project supported by allocated credits from North Atlantic Treaty Organization bodies or by host nations with NATO Infrastructure funds.

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Section 1202 would authorize the United States (U.S.) Army to continue the Ri'katak Guest Student Program, which allows up to five Republic of the Marshall Islands (RMI) students per grade to per year to attend school, on a space available basis, in the contractor-operated schools at U.S. Army Garrison−Kwajalein Atoll (USAG-KA), and to fund the program with congressionally appropriated funds.

The USAG-KA consists of eleven islands within the RMI's Kwajalein Atoll, operating as Defense Sites per a Compact of Free Association (Public Law 108-188; 117 Stat. 2720; 48 U.S.C. 1921 note). Due to the remote and isolated location of USAG-KA and the lack of infrastructure in the RMI, USAG-KA is responsible for all base operations functions, including many functions that are normally provided by or procured from adjacent local communities near other installations. Base operations, logistics, and other mission functions at USAG-KA are operated pursuant to a cost-reimbursement base operations contract and funded by congressionally enacted appropriations. The contract includes maintenance and operations of base facilities, including an international airport, harbor, power plant, water treatment plant, schools, grocery store, recreational facilities, and many other facilities similar to those that would be found in a small town.

Since 1987, pursuant to a local agreement with the RMI government, the Kwajalein schools have admitted three to five RMI non-resident students per year on a space available basis into the kindergarten class at the Kwajalein George Seitz Elementary School. This program is known as the Ri'katak Guest Student Program. The Ri'katak students continue their education in the Kwajalein schools through twelfth grade graduation. Ri'katak students who drop from the program are not replaced by another Ri'katak student. A typical graduating class has between two to four Ri'katak students.

Establishment of the Ri'katak Guest Student program was seen as a way to break down cultural barriers and heal the divide between the Army and the local community because of the contentious and sometimes violent debate over the adoption of the 1986 Compact of Free Association. The United States is just now harvesting the fruits of this initiative that began in

1986, as it deals with a new generation of Marshallese leaders, many of whom have matriculated from the program. These graduates understand the tangible benefits from the United States' presence in the Atoll and reinforce the message of respect, cooperation, and mutual benefit.

The Ri'katak Guest Student Program is widely viewed as a preeminent education system in the RMI. Over the years, this program has received much attention from the RMI Government and is a benefit RMI citizens covet for their children. Students who have graduated from the Ri'katak Guest Student Program have gone on to universities in the U.S., have joined the U.S. military, and have become leaders in the RMI government, including a former RMI Ambassador to the U.S. This program helps foster the mutually beneficial relationship with the host nation created by the Compact of Free Association, which in turn contributes to the installation's mission and to our nation's national security.

The RMI's political support to the United States is essential. Beyond access to USAG-KA under the Compact of Free Association, the United States is granted the right of strategic denial, i.e., the ability to deny access to the RMI and RMI waters by foreign militaries. Strategic denial gives the U.S. control of the land, airspace and water area between the Philippines and Hawaii. In essence strategic denial provides virtual control of the Central Pacific. Politically, the U.S. has come to count on the support of the RMI in international bodies like the United Nations.

Despite the political and strategic importance of the Ri'katak Guest Student Program, a preliminary legal review questions whether the Ri'katak Guest Student Program is beyond what is necessary to accomplish contract objectives, and questions whether funds are available for such expenditures.

The U.S. Ambassador to the RMI has expressed significant concerns over the Army's potential decision to terminate the Ri'katak Guest Student Program and the likely adverse reaction and disproportionate effect it could have on larger U.S. national security interests. Further, on August 9, 2016, RMI President Hilda Heine sent a letter to President Obama expressing the importance of the program to the RMI and urging that the program continue.

While altering or eliminating access to privileges at USAG-KA, such as the Ri'katak Guest Student Program, may seem innocuous, the potential political ramifications are significant. Ending the Ri'katak Guest Student Program could have a ripple effect that could influence other U.S. Government entities, including the State Department, in a very negative manner. Accordingly, legislation is requested to authorize the U.S. Army to continue the Ri'katak Guest Student Program.

Budget Implications: This legislation would authorize the Ri'katak students to attend Kwajalein schools on a space available basis up to a maximum of five students per class per year. The annual cost for transportation and lunches for a fully populated (65 students) Ri'katak Guest Student Program is estimated to be $41,280.00. This is funded in the FY 2019 President's Budget.

RESOURCE REQUIREMENTS ($MILLIONS)

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	Appropriation From	Budget Activity	Dash-1 Line Item	Program Element
Army	0.04	0.04	0.04	0.04	0.04	Research, Development, Test and Evaluation, Army	06	152	0605301A
Total	0.04	0.04	0.04	0.04	0.04				

Changes to Existing Law: This proposal would not change the text of any existing statute.

TITLE XIII—[RESERVED]

TITLE XIV—OTHER AUTHORIZATIONS

Subtitle A—Military Programs

Section 1401 would authorize appropriations for the Defense Working Capital Funds in the amount equal to the budget authority requested in the President's Budget for fiscal year 2019.

Section 1402 would authorize appropriations for the Joint Urgent Operational Needs Fund in the amount equal to the budget authority requested in the President's Budget for fiscal year 2019.

Section 1403 would authorize appropriations for Chemical Agents and Munitions Destruction, Defense in amounts equal to the budget authority requested in the President's Budget for fiscal year 2019.

Section 1404 would authorize appropriations for Drug Interdiction and Counter-Drug Activities, Defense-wide in the amount equal to the budget authority requested in the President's Budget for fiscal year 2019.

Section 1405 would authorize appropriations for the Defense Inspector General in amounts equal to the budget authority requested in the President's Budget for fiscal year 2019.

Section 1406 would authorize appropriations for the Defense Health Program in amounts equal to the budget authority requested in the President's Budget for fiscal year 2019.

Subtitle B—Other Matters

Section 1411, within the funds authorized for operation and maintenance under section 1406, would authorize funds to be transferred to the Joint Department of Defense–Department of Veterans Affairs Medical Facility Demonstration Fund established by section 1704(a) of the National Defense Authorization Act for Fiscal Year 2010.

Section 1412 would authorize appropriations for fiscal year 2019 for the Armed Forces Retirement Home in the amount equal to the budget authority requested in the President's Budget for fiscal year 2019.