

DEPARTMENT OF DEFENSE APPROPRIATIONS BILL, 2020

XXX XX, 2019.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. VISCLOSKY of Indiana, from the Committee on Appropriations, submitted the following

R E P O R T

[To accompany H.R.]

The Committee on Appropriations submits the following report in explanation of the accompanying bill making appropriations for the Department of Defense, and for other purposes, for the fiscal year ending September 30, 2020.

BILL TOTALS

Appropriations for most military functions of the Department of Defense are provided for in the accompanying bill for fiscal year 2020. This bill does not provide appropriations for military construction, military family housing, civil defense, and military nuclear warheads, for which requirements are considered in connection with other appropriations Acts.

The President's fiscal year 2020 budget request for activities funded in the Department of Defense Appropriations Act totals \$698,212,379,000 in new budget obligational authority.

COMPARATIVE STATEMENT OF NEW BUDGET AUTHORITY FOR 2019 AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2020
(Amounts in Thousands)

	FY 2019 Enacted	FY 2020 Request	Bill	Bill vs. Enacted	Bill vs. Request

RECAPITULATION					
Title I - Military Personnel.....	138,537,041	143,476,503	141,621,649	+3,084,608	-1,854,854
Title II - Operation and Maintenance.....	193,682,875	123,944,614	206,691,018	+13,008,143	+82,746,404
Title III - Procurement.....	135,362,619	118,923,130	130,303,576	-5,059,043	+11,380,446
Title IV - Research, Development, Test and Evaluation...	94,896,708	102,647,545	100,691,612	+5,794,904	-1,955,933
Title V - Revolving and Management Funds.....	1,641,115	1,426,211	1,426,211	-214,904	---
Title VI - Other Department of Defense Programs.....	36,212,133	35,147,087	35,629,292	-582,841	+482,205
Title VII - Related Agencies.....	1,036,424	1,072,000	1,072,000	+35,576	---
Title VIII - General Provisions (net).....	-1,963,005	---	-2,698,173	-735,168	-2,698,173
Title IX - Global War on Terrorism (GWOT).....	67,914,000	164,230,474	68,079,000	+165,000	-96,151,474

Total, Department of Defense.....	667,319,910	690,867,564	682,816,185	+15,496,275	-8,051,379
Scorekeeping adjustments.....	7,577,090	7,858,815	7,858,815	+281,725	---

Total, mandatory and discretionary.....	674,897,000	698,726,379	690,675,000	+15,778,000	-8,051,379
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COMMITTEE BUDGET REVIEW PROCESS

During its review of the fiscal year 2020 budget request and execution of appropriations for fiscal year 2019, the Subcommittee on Defense held a total of 16 hearings and one formal briefing during the period of February 2019 to May 2019. Hearings were held in open session, except when the security classification of the material to be discussed presented no alternative but to conduct those hearings in executive or closed session.

INTRODUCTION

The Committee recommendation for total fiscal year 2020 Department of Defense discretionary funding is \$690,161,000,000, which is an increase of \$15,778,000,000 above the fiscal year 2019 enacted level and a decrease of \$8,051,379,000 below the budget request. The recommendation includes \$622,082,000,000 in base funding and \$68,079,000,000 for overseas contingency operations/global war on terrorism funding in title IX.

With this bill, the Committee has carried out its constitutional responsibility to recommend the appropriations necessary to provide for the common defense of the Nation. The Committee did this in a collegial and bipartisan fashion consistent with its long-standing traditions.

Oversight of the management and expenditure of the \$690,161,000,000 provided to the Department of Defense and the Intelligence Community is a core function of the Defense Subcommittee. The Subcommittee performed this core function with a reinvigorated hearing schedule and a review of the budget in detail. Seventeen hearings and briefings were held as defense and intelligence agency witnesses testified before the Subcommittee to defend the fiscal year 2020 budget request, with some agencies testifying after an absence of several years.

As in years past, the Subcommittee has thoroughly reviewed the budget request and identified programs where reductions are possible without adversely affecting the safety and effectiveness of military personnel. Examples of such reductions include programs that have been restructured since the budget was submitted, savings from favorable contract pricing adjustments, contract or schedule delays resulting in savings, unjustified new programs and cost increases, funds requested ahead of need for the year of budget execution, projected or historical underexecution, and rescissions of unneeded prior year funds.

The Committee recommendation continues to support the Department's effort to align its resources with the National Defense Strategy. This strategy reorients the Department's primary focus toward the challenges posed by great powers such as China and Russia, and their efforts to counter and overcome the technological and operational superiority long enjoyed by the United States military. The Committee agrees with the Department that this technological overmatch can no longer be assumed and recommends robust funding to develop and field new weapon systems and capabilities to address these new challenges. The Committee recommendation balances this forward-looking posture with continuing investments in the restoration of readiness and the quality of life for troops and their families.

In this recommendation, the Committee provides funding for the requested pay raise of 3.1 percent, but also recognizes the unique challenges military service poses to family life. Unconventional work hours and long-term deployments pose challenges for all servicemembers but are particularly difficult for those with children in need of childcare. The recommendation provides additional funding to increase capacity for childcare to aid in improving quality of life for servicemembers and directs the military Services to provide more information about the needs of childcare in future budget submissions. The Committee believes that access to affordable and quality childcare is one of the lynchpins to retention in the all-volunteer force, particularly for mid-career enlisted and officers.

The fiscal year 2020 budget request proposes numerous changes, new programs, and a new military force. The Committee acknowledges the need for change to address persistent problems and emerging threats. However, without detailed budget justification submitted in a timely manner, the Committee cannot recommend full funding for these initiatives. For example, an organization's budget request was submitted with one page of justification; funding requests for programs with one paragraph of explanation; and requests for additional information unfulfilled.

The Committee recommendation reasserts the congressional power of the purse against the administration's abuse of the transfer authority and reprogramming privileges provided in this Act. The Committee strongly opposes the Department's use of funds appropriated for military requirements to subsidize border wall construction. This action flouts a long-standing tradition of comity and cooperation between the executive and legislative branches that exists to meet unforeseen requirements and higher military priorities that inevitably arise between the submission of the budget request and the execution of those funds pursuant to congressional appropriations legislation. The Committee recommendation includes provisions to prevent and deter the further misuse of funds recommended by the Committee, and still allows for the meeting of urgent and emerging military requirements.

The Committee notes its disappointment of the administration's unwillingness to confront the reality of the Budget Control Act in the budget request presented for fiscal year 2020. While the initial impact of the Budget Control Act on the Department of Defense was severe, the Department received a total of \$264,000,000,000 in base budget relief since fiscal year 2012. Much of that budget relief occurred in fiscal years 2017 to 2019 when the Department's budget increased nominally by 13 percent. The fiscal year 2020 budget request proposes another increase of approximately \$33,000,000,000, or 4.9 percent. Rather than addressing the need to raise the Budget Control Act caps to support its defense budget, the choice was made instead to submit a request for nearly \$100,000,000,000 in overseas contingency operations (OCO) funds to fulfill base budget requirements to circumvent the caps. These "OCO for base" funds are in addition to OCO for direct and enduring costs associated with current operations. The Committee recommendation rejects the request to use OCO for entire appropriations within the bill and restores the proper balance of base and OCO funds.

While the Committee recommendation continues to support, through the overseas contingency operations appropriation, ongoing combat operations in Afghanistan, the Committee believes after almost eighteen years all efforts should be made to transition these enduring requirements into the base budget, especially if the United States military will serve there for the foreseeable future.

The Committee also notes the fiscal year 2020 budget submission recognizes the large increases for the Department of Defense are unsustainable and slows the rate of growth through the future years defense program. This contradicts the fact that the Department submitted a fiscal year 2020 budget request that is larger than it anticipated at this time a year ago, and the Services and combatant commands have submitted lists of unfunded requirements and priorities for fiscal year 2020 totaling approximately \$11,000,000,000. The Department claims it will be able to continue to prioritize modernization by relying on savings, reforms, and efficiencies that have been difficult to achieve. Further, the Committee notes that while the administration requests an exaggerated OCO request for fiscal year 2020, it also assumes traditional OCO expenditures will somehow dwindle to \$20,000,000,000 in fiscal year 2022, post-Budget Control Act. The Committee recommendation provides the Department with sufficient resources without resorting to gimmicks and wishful thinking.

DEFINITION OF PROGRAM, PROJECT, AND ACTIVITY

For the purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177), as amended by the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987 (Public Law 100-119), and by the Budget Enforcement Act of 1990 (Public Law 101-508), the terms "program, project, and activity" for appropriations contained in this Act shall be defined as the most specific level of budget items identified in the Department of Defense Appropriations Act, 2020, the related classified annexes and Committee reports, and the P-1 and R-1 budget justification documents as subsequently modified by congressional action.

The following exception to the above definition shall apply: the military personnel and the operation and maintenance accounts, for which the term "program, project, and activity" is defined as the appropriations accounts contained in the Department of Defense Appropriations Act.

At the time the President submits the budget request for fiscal year 2021, the Secretary of Defense is directed to transmit to the congressional defense committees budget justification documents to be known as the M-1 and O-1, which shall identify, at the budget activity, activity group, and sub-activity group level, the amounts requested by the President to be appropriated to the Department of Defense for military personnel and operation and maintenance in any budget request, or amended budget request, for fiscal year 2021.

REPROGRAMMING GUIDANCE

The Committee directs the Secretary of Defense to submit a prior approval reprogramming to the congressional defense committees for any reprogramming of funding above a threshold of \$10,000,000

for a military personnel; operation and maintenance; procurement; or research, development, test and evaluation line.

The Committee directs the Under Secretary of Defense (Comptroller) to continue to provide the congressional defense committees annual DD Form 1416 reports for titles I and II and quarterly, spreadsheet-based DD Form 1416 reports for Service and defense-wide accounts in titles III and IV of this Act. Reports for titles III and IV shall comply with guidance specified in the explanatory statement accompanying the Department of Defense Appropriations Act, 2006. The Department shall continue to follow the limitation that prior approval reprogrammings are set at either the specified dollar threshold or 20 percent of the procurement or research, development, test and evaluation line, whichever is less. These thresholds are cumulative from the base for reprogramming value as modified by any adjustments. Therefore, if the combined value of transfers into or out of a military personnel (M-1), an operation and maintenance (O-1), a procurement (P-1), or a research, development, test and evaluation (R-1) line exceeds the identified threshold, the Secretary of Defense must submit a prior approval reprogramming to the congressional defense committees. In addition, guidelines on the application of prior approval reprogramming procedures for congressional special interest items are established elsewhere in this report.

FUNDING INCREASES

The funding increases outlined in the tables for each appropriation account shall be provided only for the specific purposes indicated in the tables.

CONGRESSIONAL SPECIAL INTEREST ITEMS

Items for which additional funds have been provided or items for which funding is specifically reduced as shown in the project level tables or in paragraphs using the phrase "only for" or "only to" in this report are congressional special interest items for the purpose of the Base for Reprogramming (DD Form 1414). Each of these items must be carried on the DD Form 1414 at the stated amount, as specifically addressed in the Committee report.

CLASSIFIED ANNEX

Adjustments to the classified programs are addressed in the classified annex accompanying this report.

COMMITTEE RECOMMENDATIONS BY MAJOR CATEGORY

ACTIVE, RESERVE AND NATIONAL GUARD MILITARY PERSONNEL

In title I of the bill, the Committee recommends a total of \$149,438,464,000 for active, reserve, and National Guard military personnel, a decrease of \$1,854,854,000 below the budget request, and an increase of \$3,368,333,000 above the fiscal year 2019 enacted level. The Committee recommendation provides full funding necessary to increase basic pay for all military personnel by 3.1 percent, as authorized by current law, effective January 1, 2020.

OPERATION AND MAINTENANCE

In title II of the bill, the Committee recommends a total of \$206,691,018,000 for operation and maintenance support to the military Services and other Department of Defense entities, an increase of \$82,746,404,000 above the budget request, and an increase of \$13,008,143,000 above the fiscal year 2019 enacted level. The recommended levels will fund robust operational training, readiness, and facilities needs in fiscal year 2020.

PROCUREMENT

In title III of the bill, the Committee recommends a total of \$130,303,576,000 for procurement.

Major initiatives and modifications include:

\$1,411,540,000 for the procurement of 73 UH-60 Blackhawk helicopters;

\$798,785,000 for the procurement of 48 remanufactured AH-64 Apache helicopters;

\$1,746,007,000 for the upgrade of 165 Abrams tanks to the M1A2 system enhancement package configuration;

\$1,730,360,000 for the procurement of 24 F/A-18E/F Super Hornet aircraft;

\$1,676,057,000 for the procurement of nine P-8A Poseidon multi-mission aircraft; an increase of three aircraft and \$469,356,000 above the President's request;

\$1,070,294,000 for the procurement of six E-2D Advanced Hawkeye aircraft, an increase of two aircraft and \$325,810,000 above the President's request;

\$1,214,759,000 for the procurement of 14 V-22 aircraft, an increase of four aircraft and \$248,093,000 above the President's request;

\$793,899,000 for the procurement of six CH-53K helicopters;

\$647,351,000 for the procurement of six VH-92 executive helicopters;

\$8,672,531,000 for the procurement of 90 F-35 aircraft, an increase of \$783,836,000 and 12 aircraft above the President's request: 10 short take-off and vertical landing variants for the Marine Corps, 20 carrier variants for the Navy and Marine Corps, and 60 conventional variants for the Air Force;

\$21,699,556,000 for the procurement of 11 Navy ships, including three DDG-51 guided missile destroyers, two SSN-774 attack submarines, one Frigate, one Ford class aircraft carrier, two Towing, Salvage, and Rescue Ships, two TAO fleet oilers, the continued procurement of the Columbia Class submarine, and advance procurement for a third SSN-774 attack submarine;

\$985,500,000 for the procurement of eight F-15EX aircraft;

\$1,431,267,000 for the procurement of 16 C/MC/KC-130J aircraft, an increase of \$307,064,000 and four C-130J aircraft above the President's request;

\$413,245,000 for the procurement of 15 MQ-9 Reaper unmanned aerial vehicles, including three for the Marine Corps and 12 for the Air Force;

\$2,189,529,000 for the procurement of 12 KC-46 tanker aircraft;

\$876,035,000 for the procurement of 12 combat rescue helicopters;

\$1,237,635,000 for the procurement of four space launch services; and
 \$200,000,000 for the Israeli Cooperative Programs under the Missile Defense Agency.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION

In title IV of the bill, the Committee recommends a total of \$100,691,612,000 for research, development, test and evaluation.

Major initiatives and modifications include:

\$419,051,000 for the continued development of the Columbia class ballistic missile submarine;

\$590,425,000 for the continued development of the unmanned carrier aviation program;

\$516,955,000 for the continued development of the CH-53K helicopter;

\$1,613,848,000 for the continued development of the F-35 Lightning Joint Strike Fighter aircraft;

\$3,003,899,000 for the continued development of the B-21 bomber;

\$757,923,000 for the development of a Presidential Aircraft Replacement;

\$427,300,000 for the design, build, and test of the Army's Future Attack Reconnaissance Aircraft;

\$378,400,000 for the Army's Next Generation Combat Vehicle;

\$428,395,000 for Long Range Precision Fires;

\$432,009,000 for space launch services;

\$452,875,000 for the Global Positioning System IIIIF;

\$445,302,000 for the Global Positioning System III Operational Control Segment;

\$1,193,688,000 for the Next-Generation Overhead Persistent Infrared system;

\$3,527,921,000 for the Defense Advanced Research Projects Agency; and \$300,000,000 for the Israeli Cooperative Programs under the Missile Defense Agency.

DEFENSE HEALTH PROGRAM

In title VI of the bill, the Committee recommends a total of \$33,463,539,000 for the Defense Health Program to support worldwide medical and dental services for active forces and other eligible beneficiaries.

OVERSEAS CONTINGENCY OPERATIONS/GLOBAL WAR ON TERRORISM REQUIREMENTS

In title IX of the bill, the Committee recommends a total of \$68,079,000,000 for overseas contingency operations/global war on terrorism (OCO/GWOT) requirements.

Military Personnel: The Committee recommends a total of \$4,485,808,000 for military personnel OCO/GWOT requirements in title IX of the bill.

Operation and Maintenance: The Committee recommends a total of \$49,772,124,000 for operation and maintenance OCO/GWOT requirements in title IX of the bill.

Procurement: The Committee recommends a total of \$11,748,074,000 for procurement OCO/GWOT requirements in title IX of the bill.

Research, Development, Test and Evaluation: The Committee recommends a total of \$844,368,000 for research, development, test and evaluation OCO/GWOT requirements in title IX of the bill.

SPECIAL OPERATIONS COMMAND OBLIGATION AND EXPENDITURE PLANS

The Committee seeks additional transparency regarding the obligation and expenditure of funds for the Special Operations Command procurement and research and development accounts. The existing budget justification and quarterly execution data lack certain details that enable the Committee to analyze trends and program office performance. To facilitate appropriate oversight, the Committee directs the Commander of the United States Special Operations Command to provide the House and Senate Appropriations Committees detailed spend plans at the project level for the procurement and research and development appropriations accounts. The spend plans shall include all active fiscal years, with monthly obligation and target benchmarks. The first spend plan should be provided not later than 45 days after the enactment of this Act, and subsequent spend plans should be provided annually with the submission of the budget request.

SUPPORTING "THE AIR FORCE WE NEED"

The Committee has considered the Air Force budget request in conjunction with the analysis produced by the Air Force in response to section 1064 of the National Defense Authorization Act for Fiscal Year 2018. This analysis, publicly referred to by Air Force leadership as "The Air Force We Need," indicates that the Service is too small to fulfill the demands of the 2018 National Defense Strategy at a "low-moderate" level of risk. To fill this gap, the Air Force indicates a need to grow to 386 operational squadrons from the current 312 squadrons, including the addition of seven fighter squadrons. Based on this notional growth in fighter squadrons, the Air Force has identified the need to annually procure 72 new fighter aircraft.

The Committee notes that the resources to initiate and sustain such growth simply do not exist within the fiscal year 2020 budget request or future years defense program, nor does the Air Force's five-year plan for fighter procurement achieve 72 new aircraft within any year. The plan that has been submitted to the Committee requests 48 F-35A aircraft in fiscal year 2020 and every year thereafter through 2024, a reduction of 30 aircraft compared to the 2017 Selected Acquisition Report profile for the F-35 program. In addition, the request includes funding for the procurement of eight new F-15 aircraft to begin recapitalization of the F-15C/D fleet. In this plan, F-15 procurement would grow to 18 aircraft in fiscal years 2021-2024, achieving a total fighter aircraft procurement rate of 66 during the same period.

The Committee does not view the "Air Force We Need" analysis as a definitive solution to the Air Force's requirements under the National Defense Strategy, or as a firm goal to guide immediate resourcing decisions, but rather as the first step of an iterative an-

alytical, programming, and budgeting process to be undertaken in dialogue with the congressional defense committees. The Committee believes that the demands of the National Defense Strategy must be met with a balance of increased capacity in existing systems and the development and fielding of new capabilities, subject to fiscal constraints—which the Air Force was not required to consider in response to the section 1064 mandate.

To address concerns about capacity, including the fighter fleet that has been emphasized by Air Force leadership, the Committee recommendation includes a total of 68 new fighter aircraft. This includes the eight new-build F-15 aircraft requested and 60 F-35A aircraft, an increase of 12 aircraft above the request. The F-35A quantity of 60 is an increase of four aircraft above the fiscal year 2019 enacted level. The Committee notes that this recommendation procures more than seven “fifth generation” fighters for every single new “fourth generation” fighter. The Committee recommends this as a reasonable balance between advanced capability and near-term capacity concerns.

The Committee finds that the Air Force’s requested investments in the development of future capability generally are consistent with the requirements identified in the “Air Force We Need” analysis and considerations of affordability. The Committee’s recommendations with respect to the Air Force’s request include: full funding of the request for the F-35 continuous capability development and delivery program, also known as Block 4; full funding of the request for the B-21 bomber program; full funding of the request for the Stand-in Attack Weapon program; full funding of the request for hypersonic weapons (including the Air-launched Rapid Response Weapon and Hypersonic Conventional Strike Weapon prototyping efforts); an additional \$20,000,000 above the request for directed energy prototyping; full funding of the request for advanced engine development (which has the potential to provide increased capability and lower fuel consumption costs for the F-35 and potential future aircraft); an additional \$75,000,000 to accelerate active electronically scanned array radar upgrades for the F-16; an additional \$50,000,000 for the Low Cost Attritable Aircraft Technology program; and \$500,000,000 for the Next Generation Air Dominance program.

POSITIONING THE F-35 PROGRAM FOR CONTINUED SUCCESS

The Committee continues to recommend strong support for the F-35 program. The Committee recognizes that the F-35 is critical to the ability of the Department of Defense to meet the demands of the National Defense Strategy and its emphasis on great power competition, a component of which is the rapid advances made by adversaries in anti-air and basing access denial capabilities designed to negate United States advantages in technology and operational expertise.

The Committee observes that the Department of Defense, and the Air Force in particular, have sent conflicting and confusing signals with respect to the F-35 program. The fiscal year 2020 request repeats a pattern of shifting aircraft quantities to future years, reducing the planned procurement from 84 to 78. Further, the Air Force submitted a fiscal year 2020 budget request that flattens F-35A procurement at 48 aircraft per year through the future

years defense program despite the F-35A program of record remaining stable at 1,763 aircraft. The Committee also observes that departmental and Service leaders consistently have expressed concern about F-35 operation and sustainment costs. At the same time, the Chief of Naval Operations, the Commandant of the Marine Corps, and the Chief of Staff of the Air Force submitted unfunded requirements lists that included twelve additional F-35As, two additional F-35Bs, and four additional F-35Cs. The Committee recommendation includes \$1,042,800,000 for 12 additional F-35A aircraft, fully funds the Block 4 development program, and fully funds the requested increases for spares and depot activation.

The Committee acknowledges the Department's justified concerns regarding F-35 sustainment. The global F-35 fleet is projected to more than triple in size by 2023. As detailed in a recent report by the Government Accountability Office (GAO), the F-35 is failing to meet warfighter targets for availability and mission capable rates, even for later production aircraft. GAO identified spare parts as a major driver of this problem. Currently the F-35 enterprise is unable to comprehensively and accurately inventory parts, efficiently move parts between locations, accurately match deployable spares packages to deploying units, or capture cost information for all the parts that are procured. The Committee strongly supports the Department's plans to strengthen organic F-35 sustainment capability. The Committee understands the Department has requested, but as of May 2019 has not received, a proposal from the prime contractor for the data necessary to provision an organic supply chain and catalogue all F-35 parts in the Department's supply inventory. While the Committee fully funds the \$728,671,000 requested for additional spares in the Navy and Air Force's procurement budgets, the Committee lacks full confidence that such funding or the spare parts to be acquired will be used efficiently and believes that acquiring the cost and technical data for spare parts is a necessary step toward solving this problem. The Committee therefore directs that no more than 50 percent of these funds may be obligated or expended until 15 days after the Director of the F-35 Joint Program Office submits a certification to the congressional defense committees that the Department of Defense has received an adequate cost proposal for such data. The Committee further directs the Secretary of Defense to include the costs of acquiring these data, and the accounts in which such costs are to be funded, in future budget exhibits (beginning with fiscal year 2021) and briefing materials for the congressional defense committees.

JOINT ENTERPRISE DEFENSE INFRASTRUCTURE

The Committee is aware that the Department of Defense continues to pursue a single vendor contract strategy for procurement of its Joint Enterprise Defense Infrastructure (JEDI) cloud computing services. The Committee continues to be concerned with this approach given the rapid pace of innovation in the industry and that this approach may lock the Department of Defense into a single provider for potentially as long as ten years.

Since the Department of Defense adopted its single vendor strategy in 2017, other federal agencies have decided to pursue a multiple vendor cloud strategy as recommended by the Office of Man-

agement and Budget (OMB) "Cloud Smart" strategy. The Committee notes that the Central Intelligence Agency (CIA), on behalf of the intelligence community, is now pursuing a multi-vendor, multi-cloud approach in its new Commercial Cloud Enterprise procurement, a follow-on to its single vendor Commercial Cloud Services contract awarded in 2013. Specifically mentioned in the CIA market survey materials is a statement that, "[t]he Government is pursuing a multiple cloud strategy to increase access to cloud innovation and reduce the disadvantages associated with using a single cloud service provider." The Committee encourages the Department of Defense to adopt lessons learned from the CIA's experience implementing cloud computing over the past five years. Further, the Committee believes that the Department of Defense is deviating from established OMB policy and industry best practices, and may be failing to implement a strategy that lowers costs and fully supports data innovation for the warfighter.

Therefore, the Committee directs that no funds may be obligated or expended to migrate data and applications to the JEDI cloud until the Chief Information Officer of the Department of Defense provides a report to the congressional defense committees on how the Department plans to eventually transition to a multi-cloud environment, as described in its January 2019 Cloud Initiative Report to Congress. The Chief Information Officer shall provide a list of specific contracting opportunities for commercial cloud services the Department is contemplating over the next two years; a description of each contract opportunity; whether it will be structured as a full and open competition or sole source contract; the Department's planned use for the cloud service; the estimated fiscal year and quarter for the release of each solicitation; planned contract type and structure; and estimated maximum contract value and period of performance, including each option.

Further, the Chief Information Officer of the Department of Defense is directed to submit quarterly reports on the implementation of its "Cloud Strategy and Cloud Initiative" to the House and Senate Appropriations Committees beginning not later than 30 days after the enactment of this Act.

ORGANIZATION AND MANAGEMENT OF SPACE PROGRAMS

The Committee recognizes that unfettered access to and freedom to operate in space is vital to national security. Space provides the nation with critical information and global situational awareness to anticipate threats, respond to crises, project power across the globe, and conduct military operations. Therefore, the Committee is very concerned with the rapid advances potential adversaries are making to develop capabilities that threaten United States space assets on orbit. The Committee commends the Department of Defense for its increased focus on addressing these threats and developing capabilities to improve the resilience of United States space systems. Further, the Committee understands that this is an urgent problem that will require the Department to reorient its strategies, organizational constructs, and program priorities to meet the reality of these threats.

The Department proposed a three-pronged approach to address these challenges: (1) establishment of a Unified Combatant Command for space, the United States Space Command; (2) stand up

of a new military service, the United States Space Force; and (3) creation of a Space Development Agency, separate from the Space Force, and under the management of the Under Secretary of Defense for Research and Engineering.

The Committee supports the establishment of a Unified Combatant Command for space and believes the command is an important step in strengthening the operational focus and emphasis on protecting and defending national space capabilities. The Committee recommendation fully funds the United States Space Command at the requested level.

The Department has also proposed legislation to establish the Space Force as a separate service within the Department of the Air Force, with an Under Secretary for Space and a Chief of Staff for Space. While the Committee appreciates the intent of the proposal, the plan leaves many unanswered questions and lacks important details and supporting analysis to justify the proposed size, scope, cost, roles, and authorities for the new military service. Further, the Committee notes that it is fully within the Department's current authority to make space a higher priority without creating a new military service and is not persuaded that the specific plan proposed justifies the additional overhead cost and disruption across the Department. Therefore, the Committee recommendation does not fully fund the request to establish the proposed Space Force. The Committee makes this decision without prejudice and includes funds for the Department to examine and refine alternative organizational options that will streamline the management and decision-making process and minimize overhead cost and bureaucracy.

The fiscal year 2020 budget request also includes funds to create a new Space Development Agency within the Office of the Under Secretary of Defense for Research and Engineering. The Committee recognizes the need for rapid development and fielding of space assets to meet the current threat environment as outlined by the National Defense Strategy. However, while the Committee is generally supportive of the concept of the Space Development Agency, the Committee is concerned that this effort may create a parallel space program that will overlap and duplicate existing programs and missions in the Air Force. Therefore, the Committee recommendation includes a legislative provision requiring the Space Development Agency and the Air Force to work together to define a unified and integrated space architecture and to clarify roles and responsibilities.

COMPLIANCE WITH CONTRACT SERVICES LAW

The Committee notes that 10 U.S.C. 2329 requires the Secretary of Defense to ensure that appropriate and sufficiently detailed data are collected and analyzed to support the validation of requirements for services contracts and inform the planning, programming, budgeting and execution process of the Department of Defense. Appropriated funds should not be used to fund service contracts that have not complied with the planning, programming, budgeting and total force management requirements of 10 U.S.C. sections 2329 and 2330a.

According to several findings by the Government Accountability Office, spending on service contracts has increased significantly

over the past few years. Service contracts are a more expensive substitute for hiring the authorized civilian workforce for the intended functions. The Committee reiterates that enacted legislative provisions must be fully implemented by the Department of Defense.

CIVILIAN CYBER WORKFORCE

The Committee recognizes that the Department of Defense has challenges hiring individuals with the necessary security clearances to work in the cyber environment and encourages the Secretary of Defense to find innovative solutions to increase the civilian cyber workforce. The Committee believes that the Department of Defense should collaborate with colleges and universities to recruit cyber-focused college students during their junior or senior years, with the intent that upon graduation the student will have a completed security clearance.

The Committee directs the Secretary of Defense to submit a report to the House and Senate Appropriations Committees not later than 60 days after the enactment of this Act on Department-wide efforts to increase recruitment of cyber-focused individuals and to increase the throughput of security clearances to grow the number of approved requisite applicants.

INSIDER THREAT DETECTION AND USER ACTIVITY MONITORING

The Committee remains concerned that the Department of Defense may not be in compliance with long-standing national directives aimed at preventing insider threats. The Committee is aware that the Department has established a task force to develop an approach to user activity monitoring throughout the Department. The Committee directs the Chief Information Officer of the Department of Defense, in coordination with the Undersecretary of Defense for Intelligence, to submit a report to the House and Senate Appropriations Committees not later than December 1, 2019 regarding user activity monitoring. The report shall include an update on the work of the task force; the feasibility of comprehensive user activity monitoring coverage across the Department; any obstacles to establishing such a program, to include legal, financial, contractual, or cultural issues; identification of the resources required to implement the program; and an explanation of how the program would comply with all relevant national directives aimed at preventing insider threats.

SPECTRUM FOR ADVANCED WIRELESS SERVICES

The Committee remains concerned by the pace with which the Department of Defense is reviewing its spectrum requirements. The Committee directs the Secretary of Defense, in coordination with the Administrator of the National Information Technology Agency, to submit a report to the congressional defense committees not later than 120 days after the enactment of this Act which details the Department's plans to submit a proposal under the Spectrum Pipeline Act to study the potential for introducing advanced wireless services in the 3450–3550 MHz band on a shared basis, the potential for spectrum sharing within the 3450–3550 MHz band to spur commercial wireless innovation, the potential for spec-

trum sharing within the 3.1–3.45 GHz band to introduce advanced wireless services, and timelines for the introduction of such advanced wireless services.

CYBERSPACE ACTIVITIES BUDGET JUSTIFICATION SUBMISSIONS

The Committee directs the Secretary of Defense to ensure that future cyberspace budget justification materials be delivered to the congressional defense committees not later than five days after the release of the annual budget request. Late arrival of the justification material presents an insurmountable hurdle to conducting a thorough budget review and providing proper congressional oversight.

