



UNITED STATES SENATE COMMITTEE ON
ARMED SERVICES

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John S. McCain National Defense Authorization Act for Fiscal Year 2019

One of the Congress' most important constitutional responsibilities is to provide for the common defense. To fulfill this fundamental duty, Congress has for 57 consecutive years passed the defense authorization bill, which this year is named the *John S. McCain National Defense Authorization Act for Fiscal Year 2019*. This important legislation authorizes funding and provides authorities for the U.S. military.

The array of national security threats facing the United States is more complex and diverse than at any time since World War II. The strategic environment has not been this competitive since the Cold War. Simply put, America no longer enjoys the competitive edge it once had over its competitors and adversaries.

To remain successful, America must maintain its military advantage, counter potential adversaries, and defend the international order that has protected and advanced the security, prosperity, and liberty of U.S. citizens and our allies and partners. This requires a strategic framework that establishes clear priorities and helps make tough choices.

Believing that the strategy development process in the Department of Defense (DOD) needed to be reinvigorated, in the *National Defense Authorization Act for Fiscal Year 2017*, Congress replaced the legislative mandate for the Quadrennial Defense Review with the framework for a more focused and flexible National Defense Strategy (NDS). The legislation included a clearly defined set of expectations for what the strategy should address, including the current and anticipated strategic environment, prioritization among threats and missions, the roles and missions of the Armed Forces, force planning constructs and scenarios, force posture and readiness, and anticipated major investments required to execute the strategy.

Congress applauds Secretary of Defense James Mattis and the senior leadership of the Department for their efforts in crafting the National Defense Strategy that was delivered earlier this year. The document prioritizes the challenges our nation faces and points toward potentially significant changes to reshape the joint force and business processes of the DOD. At the same time, much of the hardest work remains to translate the NDS into detailed policy guidance to realign defense programs, readiness, and posture in accordance with the strategy. This responsibility rests equally with the executive and legislative branches.

Congress is doing its part to meet its responsibilities through the NDAA. Informed by the strategy, as well as the administration's fiscal year 2019 budget request, the legislation helps

align investments, requirements, structures, policies, and authorizations with the new strategic orientation articulated in the NDS.

The NDAA supports the latest budget agreement of \$716 billion in fiscal year 2019 for national defense. It authorizes a base defense budget of \$639 billion for the Department of Defense and the national security programs of the Department of Energy. The focus of this funding will be building a joint force that is ready, equipped, and capable of maintaining military overmatch against potential adversaries. The NDAA also authorizes \$69 billion for Overseas Contingency Operations (OCO).

While the recent 2-year budget deal is a helpful step in the right direction, a higher funding topline alone will not sufficiently address the challenges we face. Even with adequate resources, we must make difficult choices about roles and missions, force development, resource allocation, and investment priorities.

To that end, the *John S. McCain National Defense Authorization Act* advances four primary themes:

(1) First, the NDAA adjusts the budget request to align resources and policies in a manner consistent with the priorities and principles of the NDS. After years of warning from senior defense leaders, the NDS addresses the degrading state of U.S. military capabilities vis-à-vis potential nation-state competitors. While there are many contributing factors—unstable budgets, sustained high operational tempo, as well as adversaries’ increased investments in military capabilities—the Congress believes that reversing this trend should be a high priority for the Department. To encourage these efforts, the NDAA recommends re-prioritizing funds for each of the services toward requirements that directly support the NDS.

For example, the NDAA makes significant investments in research and development (R&D) to re-establish a credible combat advantage. The legislation increases R&D spending by over \$600 million, the majority of which is for science and technology spending with an emphasis on high priority emerging technologies like hypersonics, artificial intelligence, space, cyber, and directed energy. Additionally, the NDAA boosts funding for promising new technologies and concepts such as distributed, low-cost, autonomous, and attritable systems across domains. The NDAA also authorizes new initiatives and accelerates existing programs focused on NDS priorities, including the delivery of fixed-site cruise missile defense, increasing procurement of advanced munitions, and providing additional money for *Arleigh Burke*-class destroyers.

(2) Second, to clarify and improve the implementation of the National Defense Strategy, the NDAA requires the Secretary of Defense to respond to Congress on detailed and specific questions regarding the roles, missions, and requirements of the military services that are raised by the NDS. The NDAA requires the Secretary to re-evaluate the highest priority missions for the DOD, the roles of the joint force in the performance of these missions, and the capabilities required to complete these missions. More specifically, the Congress wants the Secretary to update the roles and missions of the military services and to reassess how the NDS impacts end strength requirements, how the military will conduct the counterterrorism mission at a more sustainable cost to military readiness and resources, and how the joint force will focus on

competing against peer adversaries and operating in contested environments. Serious answers to these and other strategic questions are necessary to inform continued realignments of our defense program and improve the Congress' ability to perform oversight of the DOD's future program and budget requests.

(3) Third, the NDAA describes the responsibilities within the Office of the Secretary of Defense to support effective implementation of the NDS. Organizational alignment will be key to addressing systemic problems and positioning the Department to confront the challenges outlined in the NDS.

The ultimate success of the NDS will depend on implementation guided by strong civilian leadership determined to make the difficult choices required to align policies, authorities, organizations, requirements, and investments and informed by a realistic assessment of available resources. To help answer some of these big questions, the NDAA articulates the duties of the Under Secretary of Defense for Policy. By focusing on strategically-oriented tasks, the NDAA seeks to align the critical functions necessary to exert strong civilian leadership in the development of defense strategy and its translation into detailed policy to guide investments in necessary capabilities, readiness, and posture for the future joint force.

The NDAA also furthers the reform of the Department's strategy development process that began with the statutory requirement for the NDS. It clarifies the three strategic guidance documents that support and implement the NDS (the Defense Planning Guidance, the Contingency Planning Guidance or Guidance for the Employment of the Force, and the Global Defense Posture Report) and describes the elements to be included in each document. These documents set forth the Secretary's policy guidance as to what the Department should buy for the joint force, how the joint force is to be used, and where the joint force is to be postured around the world in order to execute the NDS. This strategic guidance is essential to the Department's oversight of service budgets as well as congressional oversight efforts.

(4) Finally, the NDAA begins to modernize officer personnel management to bolster the effectiveness, recruitment, and retention of the all-volunteer force. The NDS acknowledges that the current joint force must change to meet the threat of renewed great power competition, calling for a "broad revision" of talent management principles among the services to increase the lethality and adaptability of the force. The 38-year-old *Defense Officer Personnel Management Act* requires all military services to manage their officer corps in the same general manner within specific constraints. By beginning to reform this system, the NDAA will provide for flexibility in the careers of commissioned officers and better serve the demands of the modern force.

After the end of the Cold War, the United States enjoyed a robust comparative military advantage over other nations. However, through significant investment and military modernization, near-peer competitors eventually eroded America's military superiority. Meanwhile, decisions and policies we pursued—and those we did not—had consequences for our military: commitment to persistent counterterrorism operations, inadequate funding and budget uncertainty, and misplaced priorities and acquisition failures. Now, nation-state competitors present significant military challenges and could credibly threaten the security and prosperity of our country.

The *John S. McCain National Defense Authorization Act for Fiscal Year 2019* will help the United States change course. It will recalibrate and refocus our efforts on readiness restoration, capabilities modernization, and concept development—all aimed at reasserting a quantitative and qualitative military advantage over potential adversaries. The recent National Defense Strategy provides a framework to address these challenges, and the NDAA builds on the changes outlined in the NDS while providing the DOD with the resources and authorities it needs to play its part in the national effort to restore American power in the new era of competition.

National Defense Funding

The NDAA supports a total of \$716 billion in fiscal year 2019 for national defense. It authorizes a base defense budget of \$639 billion for the Department of Defense and the national security programs of the Department of Energy. The NDAA also authorizes \$69 billion for Overseas Contingency Operations.

FY19 Defense Funding Levels (in billions)

DOD Discretionary Base	\$616.9
DOE Discretionary Base	\$21.8
Other Non-Defense	\$0.3
NDAA Authorized Base Topline	\$639.0
Overseas Contingency Operations	\$69.0
NDAA Authorized Topline w/OCO	\$708.1
Defense-Related Activities Outside NDAA Jurisdiction	\$8.2
National Defense (050) Topline w/OCO	\$716.3

*NDAA-authorized defense mandatory spending \$9.5 billion

Organization and Management Reform

Congress is concerned that the Department is not currently organized to effectively confront the challenges outlined in the NDS or emerging threats in the information domain. Congressional defense committees have long expressed concern with the lack of an effective strategy and policy for the information domain, including cyber, space, and electronic warfare. To better position the DOD to tackle these challenges, the NDAA:

- Modifies the responsibilities of the Under Secretary of Defense for Policy to express clearly that the primary duties of this senior official are the development of defense strategy and the translation of that strategy into detailed policy guidance for force development, operational planning, defense posture, and joint force assessment and readiness.
- Establishes a senior designated official and an associated cross-functional team to update and improve the June 2017 Department of Defense Electronic Warfare strategy and submit it, along with a comprehensive road map of the operational and organizational reforms, new requirements and updated plans, to Congress.
- Clarifies the three strategic guidance documents that support and implement the NDS (the Defense Planning Guidance, the Contingency Planning Guidance or Guidance for the

Employment of the Force, and the Global Defense Posture Report) and describes the elements to be included in each document.

- Affirms the authority of the Secretary of Defense to conduct military activities and operations in cyberspace, including clandestine military activities and operations, by designating these as traditional military activities.
- Establishes a policy that the United States should employ all instruments of national power, including the use of offensive cyber capabilities, to deter if possible, and respond when necessary, to cyber attacks that target U.S. interests with the intent to cause casualties, significantly disrupt the normal functioning of our democratic society or government, threaten the Armed Forces or the critical infrastructure they rely upon, achieve an effect comparable to an armed attack, or imperil a U.S. vital interest.
- Mandates and enables implementation of reforms designed to enhance the “service secretary-like” role of the Assistant Secretary of Defense for Special Operations and Low Intensity Conflict.
- Encourages improved DOD management by supporting efforts to enhance the use of big data analytics for business operations, promote hiring of world class management talent, and support activities to help the Department pass a financial audit.
- Directs the Department to fully implement a provision in the NDAA for Fiscal Year 2018 to realign software-intensive systems to use agile methods that deliver capability to users more frequently, keep pace with innovation, and avoid wasting taxpayer dollars to field capability that is already obsolete.
- Improves oversight of more than 500 different initiatives to migrate to cloud-hosted data and cloud-native programs and applications, focusing attention on fundamentals such as securing networks and conducting workload analysis.
- Improves the Department’s ability to leverage the contributions of small businesses to technology and manufacturing and strengthen their cybersecurity posture.
- Establishes the John S. McCain Strategic Defense Fellows Program to cultivate future civilian leaders of the Department of Defense.

Innovation in Research and Engineering

The NDAA makes significant investments in research and engineering to ensure U.S. forces have a credible combat advantage over potential adversaries. A strong and responsive research enterprise will be crucial to delivering the cutting-edge military technologies the warfighter needs to prevail in a contested environment. To spur innovation, the legislation:

- Authorizes an increase of more than \$300 million above the administration’s request for science, technology, and testing programs, including \$75 million for university research.
 - Adds \$150 million for hypersonics.
 - Adds \$110 million for space constellation efforts.
 - Adds more than \$100 million for test infrastructure and workforce, including for cybersecurity, directed energy, and hypersonics.
 - Adds \$40 million for directed energy.
 - Adds \$10 million for quantum information sciences.
 - Adds \$15 million for microelectronics research and the DARPA Electronics Resurgence Initiative.

- Directs a National Defense Science and Technology Strategy, including a review of the defense research and engineering enterprise by the Under Secretary of Defense for Research and Engineering to maximize innovation.
- Establishes coordinated defense research efforts in the critical emerging technology areas of artificial intelligence and quantum information science.
- Strengthens the role of modeling and simulation in assessing system performance.
- Supports DOD’s access to innovative high-tech small businesses by continuing to streamline procurement practices and extending the successful Small Business Innovation Research program.
- Authorizes \$75 million and requires the Under Secretary of Defense for Research and Engineering to develop interaction between the DOD and the commercial technology industry and academia—potentially by establishing a non-profit entity—with the goal of encouraging private investment in specific hardware technologies of interest to future defense technology needs with unique national security applications.
- Directs the Secretary of Defense to establish an initiative to support the protection of national security academic researchers from undue influence, including through foreign talent programs, and other security threats, by developing policies, training, and regulations and procedures with academic organizations.

Strategic Competition

The National Defense Strategy identifies the reemergence of long-term, strategic competition as the central challenge facing the United States. It classifies China and Russia as strategic competitors that seek to shape the world toward their authoritarian model through destabilizing activities, threatening the security of the United States and its allies. To help deter further Chinese and Russian aggression, the NDAA:

- Includes the *Foreign Investment Risk Review Modernization Act* and the *Export Control Reform Act* to give the Committee on Foreign Investment in the United States (CFIUS) the authority it needs to address national security concerns.
- Requires a public report on the military and coercive activities of China in the South China Sea and elsewhere in the Indo-Pacific region.
- Extends authority for the Maritime Security Initiative (MSI) for an additional 5 years, re-designates the Southeast Asia MSI as the Indo-Pacific MSI, includes Bangladesh and Sri Lanka as recipient countries of assistance and training, and adds India as a covered country eligible for payment of certain expenses.
- Requires the Secretary of Defense to submit a 5-year plan for an “Indo-Pacific Stability Initiative.”
- Limits DOD funds for Chinese language programs at universities that host a Confucius Institute unless certain criteria are met.
- Modifies the annual report on Chinese military and security developments to include malign influence, such as efforts to influence media, cultural institutions, business, and academic and policy communities in the United States.
- Authorizes an additional \$235 million to procure deployable air base systems in the U.S. Pacific Command area of responsibility to support NDS priorities and “resiliency” and “agile

logistics” force posture initiatives as well as to enhance the credible combat power of U.S. forces in the Indo-Pacific region.

- Prohibits Chinese participation in RIMPAC naval exercises subject to waivers by the Secretary of Defense.
- Prohibits the federal government from procuring or obtaining, as well as entering into, extending, or renewing a contract with an entity that uses telecommunications equipment or services produced by Huawei Technologies Company or ZTE Corporation.
- Extends the limitation on U.S.-Russian military cooperation.
- Expresses the sense of the Congress that in order to protect the security of the United States and fulfill our ironclad commitment to our obligations under the North Atlantic Treaty Organization (NATO), it is U.S. policy to pursue, in full coordination with allies, an integrated approach to strengthening the defense of allies and partners in Europe as part of a broader, long-term strategy backed by all elements of national power to deter and, if necessary, defeat Russian aggression.
- Mandates that the President designate an official within the National Security Council staff to develop and oversee a strategy for countering Russian malign influence.
- Calls on the Secretary of Defense to consider specific steps to: enhance U.S. forward presence, combat capability, and capacity in Europe; maintain robust security assistance for allies and partners in Europe; promote reforms within NATO; and enhance multilateral security cooperation among U.S. partners and allies.
- Requires the Secretary of Defense to report on the feasibility and advisability of permanently stationing United States forces in Poland, including combat enabler units as well as the possibility of a U.S. Army brigade combat team.
- Authorizes the National Command Authority to direct U.S. Cyber Command to take appropriate and proportional action through cyberspace to disrupt, defeat, and deter systematic and ongoing attacks by Russia, China, North Korea, and Iran in cyberspace.
- Supports implementation of the Nuclear Posture Review by authorizing \$65 million to develop a low-yield submarine-launched ballistic missile and authorizing \$110 million above the administration’s request for maintenance and recapitalization of aging facilities of the National Nuclear Security Administration.
- Directs the Army to acquire an interim short-term capability to fill gaps in cruise missile defense, which is a critical capability to defend against Chinese and Russian threats, in anticipation of the Indirect Fire Protection Capability.
- Continues the work of the Department to maximize as many munitions production lines as possible—particularly those specific to the high-end fight, such as the Long Range Anti-Ship Missile (LRASM), Joint Air-to-Surface Standoff Missile Extended Range (JASSM-ER), the MK-48 torpedo, and the Harpoon missiles.
- Authorizes an increase of \$18.6 million for additional civilian positions to support Defense Security Service efforts to protect classified information, technologies, and material from foreign adversaries.
- Requires the development of a Militarily Critical Technologies List to inform technology protection, export control, and research investment decisions.

Allies and Partners

America's global system of alliances and partnerships provides the basis for security and stability around the world. With adversaries actively working to erode that system, it is imperative that the U.S. commitment to our allies and partners remains strong. Therefore, the NDAA:

- Limits the use of authorized funds to be used to reduce U.S. forces on the Korean Peninsula below 22,000 unless there is a national security waiver from the Secretary of Defense.
- Authorizes \$5.2 billion for the Afghanistan Security Forces Fund.
- Authorizes \$350 million in Coalition Support Funds to reimburse certain nations for support provided to or in connection with U.S. military operations.
- Authorizes \$300 million to train and equip the vetted Syrian opposition to counter ISIS, but limits the use of funds until the President submits the report on U.S. strategy in Syria required by the NDAA for Fiscal Year 2018.
- Authorizes \$850 million to train and equip the Iraqi Security Forces to counter ISIS and requires a report that describes the roles, missions, and responsibilities of any future U.S. military presence in Iraq and provides information on anticipated funding requirements.
- Requires the Under Secretary of Defense for Policy to conduct a review of the legal and policy frameworks associated with advise, assist, and accompany missions by U.S. military personnel outside of Iraq, Syria, and Afghanistan.
- Provides a modified waiver to section 231 of the *Countering America's Adversaries Through Sanctions Act* that would: require presidential certifications designed to protect U.S. alliances, military operations, and sensitive technology; encourage allies and partners to reduce inventory of Russian-produced major defense equipment and advanced conventional weapons; and exclude the possibility of waivers for Russian intelligence agencies and other entities engaged in cyberattacks.
- Authorizes \$250 million to provide security assistance to Ukraine, of which \$50 million would only be available for defensive lethal assistance.
- Prohibits the delivery of F-35 aircraft to Turkey until the delivery of a report, which would include an assessment of a significant change in Turkish participation in the F-35 program, including the potential elimination of such participation.
- Expresses the sense of Congress that U.S. citizens wrongfully or unlawfully detained in Turkey, including Pastor Andrew Brunson and Serkan Golge, should be immediately released.
- Requires the Secretary of Defense and Secretary of State to submit a forward-looking strategy and specific benchmarks for measurable progress toward enhancing U.S. defense cooperation with India and India's status as a major defense partner.
- Directs a comprehensive assessment on strengthening Taiwan's self-defense capabilities, and expresses the sense of Congress on the importance of a strong U.S. defense relationship with Taiwan.
- Fully supports the administration's request for Israeli missile defense by authorizing \$500 million to co-develop and co-produce the Iron Dome, Arrow, and David's Sling weapon systems.

Modernization of the Joint Force

The NDAA prioritizes modernization to ensure a combat-credible joint force. In the new era of great power competition, our warfighters must be prepared to fight and win in contested environments against peer competitors. To rise to this challenges, the legislation:

- Authorizes \$7.6 billion to procure 77 Joint Strike Fighter aircraft.
 - Includes \$4.2 billion to procure 48 F-35A fighters.
 - Includes \$2.3 billion to procure 20 F-35B fighters.
 - Includes \$1.1 billion to procure 9 F-35C fighters.
 - Increases funding for F-35 spares, modifications, and depot repair capability in order to establish a solid sustainment base before the steep ramp of production overwhelms the enterprise's ability to sustain the aircraft.
 - Fully funds Block 4 Continuous Capability Development and Delivery, but fences 25 percent of the funding until the Department provides a detailed cost estimate and baseline schedule.
 - Mandates quarterly updates to Congress on the status and direction of the F-35 program.
- Authorizes \$24.1 billion for shipbuilding to fully fund 13 new construction battle force ships and accelerate funding for several future ships, which is \$2.2 billion more than the administration's request and includes:
 - Authorization for the *Ford*-class aircraft carrier designated CVN-81, if the Secretary of Defense submits a certification to the congressional defense committees.
 - \$5.8 billion for *Arleigh Burke*-class destroyers, which is \$168 million more than the administration's request and provides for additional long lead material procurement.
 - \$3.2 billion for *Columbia*-class submarines, which is \$237 million more than the administration's request and provides additional funds to expand the submarine industrial base.
 - \$1.6 billion for Littoral Combat Ships, which funds 2 ships in addition to the administration's request for a total of 3.
 - \$500 million for either multiyear economic order quantity procurement for *San Antonio*-class flight II amphibious ships (LPD) and/or advance procurement for LPD-31, which is in addition to the administration's request.
 - \$508 million for Ship to Shore Connectors (SSCs), which funds 3 SSCs in addition to the administration's request.
 - \$250 million for 1 cable ship, which is in addition to the administration's request.
 - \$25 million to accelerate replacement of Yard Patrol training ships.
- Authorizes the full budget request procurement quantities of:
 - 3 *Arleigh Burke*-class destroyers;
 - 2 *Virginia*-class submarines;
 - 1 *Puller*-class expeditionary transport dock;
 - 2 *Lewis*-class oilers; and
 - 1 Towing, Salvage, and Rescue Ship.
- Authorizes 117 naval aviation aircraft, including:
 - 24 F/A-18 Super Hornets;
 - 10 P-8A Poseidons;

- 2 KC-130J Hercules;
- 25 AH-1Z Cobras;
- 8 CH-53K King Stallions;
- 7 MV-22/CMV-22B Ospreys;
- 6 VH-92A Presidential Helicopters;
- 3 MQ-4 Tritons; and
- 5 E-2D Advanced Hawkeyes, including \$162 million for 1 additional E-2Ds above the administration's request.
- Authorizes multiyear contract authority for:
 - F/A-18 Super Hornet and EA-18G Growler;
 - E-2D Advanced Hawkeye;
 - Up to 625 SM-6 standard missiles; and
 - Up to 204 SM-3 IB guided missiles.
- Authorizes several provisions, based on the *Surface Warfare Enhancement Act of 2018*, to improve the readiness of naval surface ships in the wake of the USS *Fitzgerald* and USS *John S. McCain* collisions.
- Authorizes the Coast Guard to enter into a contract or contracts for up to 5 additional polar-class heavy icebreakers and expresses the sense of Congress on actions that need to be taken to deliver 6 polar icebreakers by 2029.
- Authorizes \$840 million for the Maritime Administration and other maritime matters.
- Authorizes \$2.4 billion to procure 15 KC-46 aircraft.
- Authorizes \$300 million to procure Air Force light attack aircraft and associated long lead material.
- Fully funds development of the B-21 bomber.
- Prohibits the retirement of any E-8C Joint Surveillance Target Attack Radar (JSTARs) aircraft while increasing funding for the Advanced Battle Management System.
- Authorizes multiyear procurement for the C-130J aircraft program.
- Authorizes \$144.2 million for the A-10 Wing Replacement Program, which is \$65 million more than the administration's request.
- Fully funds the administration's budget request for Army helicopters.
 - Includes \$1.2 billion to procure 66 AH-64E Apaches.
 - Includes \$1.2 billion to procure 55 UH-60M Blackhawks.
 - Includes \$124 million to procure 8 CH-47 Chinooks.
- Authorizes \$1.5 billion to procure 135 M1A2SEP v3 Abrams tanks.
- Authorizes \$319 million for the Mobile Protected Firepower vehicle program.
- Authorizes \$205 million to procure 61 Bradley Fighting Vehicles for the European Deterrence Initiative.
- Authorizes \$111 million to prototype the next generation combat vehicle.
- Authorizes \$529 million to procure 45 Paladin Integrated Management sets, which is \$110 million and 10 sets more than the administration's request.
- Authorizes \$123 million to accelerate the development of the Extended Range Cannon Artillery gun, which is \$20 million more than the administration's request, to increase the range and lethality of field artillery.
- Authorizes \$679 million for the Armored Multi-Purpose Vehicle.
- Authorizes \$1.3 billion for the Army's Joint Light Tactical Vehicle program.

- Authorizes \$699.9 million for research and development on the long-range standoff weapon, which is \$85 million more than the administration's request, and \$414 million for the ground-based strategic deterrent, which is \$69 million more than the administration's request, and requires a plan to accelerate both programs in order to field modernized capabilities more quickly.
- Authorizes \$9.7 billion for the Missile Defense Agency in support of programs vital to developing advanced technology, protecting forces in South Korea, and countering emerging threats.

All-Volunteer Force

As we continue to ask our military to do more in response to rising threats around the world, we rely on young Americans who commit to serve in the all-volunteer force that defends our nation. The NDAA seeks to improve the quality of life for the men and women of the total force and their families. To meet these goals, the legislation:

- Authorizes a 2.6 percent pay raise for members of the Armed Forces.
- Extends critical special and incentive pay authorities to encourage successful recruiting and retention of high quality individuals for military service.
- Authorizes Active-Duty end strength at the levels requested by the administration:
 - 487,500 in the Army;
 - 335,400 in the Navy;
 - 186,100 in the Marine Corps; and
 - 329,100 in the Air Force.
- Begins to modernize the 38-year-old officer personnel system to provide career flexibility and better serve the demands of today's force.
 - Authorizes alternative promotion and continuation process for selected officers that allows for multiple opportunities for promotion, removes predetermined officer promotion timelines, and creates a term-based selective continuation process.
 - Expands officer temporary spot promotion authority to all services up to the grade of O-6.
 - Increases constructive credit to allow initial appointment up to the grade of O-6
 - Allows officers in grades O-2 and above to extend careers to 40 years of service
 - Repeals age-based officer appointment requirements.
 - Authorizes high-performing officers to be promoted ahead of peers.
- Authorizes \$147.1 billion for military personnel, including costs of pay, allowances, bonuses, death benefits, and permanent change of station moves.
- Authorizes \$32.5 billion for the Defense Health Program.
- Authorizes \$11.3 billion in base and OCO funding for military construction, including family housing and operational and support infrastructure.
- Authorizes \$40 million in DOD supplemental impact aid, and \$10 million in impact aid for severely disabled military children.
- Applies the protections of title IX of the Education Amendments of 1972 to Department of Defense Education Activity (DODEA) schools to more effectively address discrimination and harassment within DODEA.
- Requires DODEA to craft a new policy combatting sexual harassment among students that

provides at least the level of protection as afforded by title IX, and requires better tracking and reporting of juvenile misconduct cases occurring in DODEA schools.

- Addresses employment challenges faced by military spouses.
- Requires the service secretaries to establish and maintain multidisciplinary teams on child abuse and other domestic violence at military installations.
- Establishes a new punitive article on domestic violence in the Uniform Code of Military Justice.
- Authorizes programs to carefully manage opioid prescriptions.
- Improves administration of the Defense Health Agency and military medical treatment facilities.
- Requires establishment of a new organizational framework of the military healthcare system to support the medical requirements of the combatant commands.
- Requires establishment of a prescription drug monitoring program for prescription drugs provided under DOD's pharmacy benefits program.
- Requires a comprehensive review of DOD's wounded warrior care policy.