



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

May 12, 2015
(House Rules)

STATEMENT OF ADMINISTRATION POLICY

H.R. 1735 – National Defense Authorization Act for FY 2016

(Rep. Thornberry, R-TX, and 1 cosponsor)

The Administration appreciates the House Armed Services Committee's continued support of our national defense and supports a number of provisions in H.R. 1735, the National Defense Authorization Act for Fiscal Year (FY) 2016, such as authorities that support ongoing operations. The Administration also appreciates many of the acquisition reform measures included in the bill and looks forward to continued cooperation with the Committee on further progress in this area.

While there are areas of agreement with the Committee, the Administration strongly objects to a number of provisions in the bill. First, the President has been very clear about the core principle that he will not support a budget that locks in sequestration, and he will not fix defense without fixing non-defense spending. Sequestration levels will damage our ability to restore readiness, advance badly-needed technological modernization, and keep faith with our troops and their families. Unfortunately, the bill fails to authorize sufficient funding for our military's priorities, and instead uses Overseas Contingency Operations (OCO) funding in ways that leaders of both parties have made clear are inappropriate. Shifting base budget resources into OCO risks undermining a mechanism meant to fund incremental costs of overseas conflicts and fails to provide a stable, multi-year budget on which defense planning is based. The use of OCO funding to circumvent budget caps in defense spending also ignores the long-term connection between national security and economic security and fails to account for vital national security functions carried out at non-defense agencies.

Further, the bill fails to adopt many of the needed force structure and weapons system reforms included in the President's Budget, including failing to provide an authorization for a new Base Realignment and Closure (BRAC) round to allow the Department of Defense (DOD) to properly align the military's infrastructure with the needs of its evolving force. It also includes non-germane provisions, such as those undermining the Endangered Species Act, that have nothing to do with national defense. The President's defense strategy depends on investing every dollar where it will have the greatest effect, which the Administration's FY 2016 proposals will accomplish through critical reforms that divest unneeded force structure, slow growth in compensation, and reduce wasteful overhead. The Committee's changes would constrain the ability of DOD to align military capability and force structure with the President's defense strategy and to reduce unneeded costs. The bill also continues unwarranted restrictions, and imposes onerous additional ones, regarding detainees at Guantanamo Bay. If this bill were presented to the President, the President's senior advisors would recommend to the President that he veto it.

The Administration looks forward to working with Congress to address these and other concerns, a number of which are outlined in more detail below, and urges Congress to work in a bipartisan fashion to make necessary changes to the bill. In particular, this is the time to come together to find a comprehensive and real solution to sequestration that strengthens both our security and our economy. The Administration also looks forward to reviewing the classified annex and working with the Congress to address any concerns on classified programs.

Guantanamo Detainee Provisions: The Administration strongly objects to several provisions of the bill that relate to the detention facility at Guantanamo Bay, Cuba. As the Administration has said many times before, operating this facility weakens our national security by draining resources, damaging our relationships with key allies and partners, and emboldening violent extremists. Rather than taking steps to bring this chapter of our history to a close, as the President has repeatedly called upon Congress to do, this bill aims to extend it. Not only would it extend existing restrictions, it would impose additional unwise and unnecessary ones that would further impede efforts to responsibly close the facility. Under existing law, the Secretary of Defense is already required to make a determination that actions have been or will be taken to substantially mitigate risks to the United States or U.S. persons or interests posed by detainee transfers abroad. Sections 1038 and 1039 would impose still more onerous restrictions on such transfers, and, in some cases, seek to prohibit certain transfers entirely. Sections 1036 and 1037 would prohibit the use of funds to transfer Guantanamo detainees to the United States or to construct or modify any facility in the United States to house detainees. The President has objected to the inclusion of these and similar provisions in prior legislation. The restrictions contained in this bill are unwarranted and threaten to interfere with the Executive Branch's ability to determine the appropriate disposition of detainees and its flexibility to determine when and where to prosecute them, based on the facts and circumstances of each case and our national security interests, and when and where to transfer them consistent with our national security and our humane treatment policy. Sections 1036, 1038, and 1039 would, moreover, violate constitutional separation-of-powers principles under certain circumstances, and section 1038 could in some circumstances interfere with a detainee's right to the writ of habeas corpus. In addition, section 1034 would require burdensome and unnecessary reporting to Congress and could interfere with the President's authority to protect sensitive national security information. Sections 1040 and 1041 would impermissibly require the disclosure of certain documents, including those protected by privilege, and restrict specified DOD funds until those documents are provided to Congress, despite the Administration's ongoing cooperation in providing documents and information to Congress.

Sequestration and Misuse of OCO Funds: The Administration strongly objects to the bill's authorization of sequester level appropriations for items that were requested in and belong in the base budget, and use of OCO - a funding mechanism intended to pay for wars and not subject to the budget caps - to pay for \$38 billion in base requirements. Sequestration adds risk to our national security by threatening the size, readiness, presence, and capability of our military, and threatens the economic security on which our national security depends. The Committee clearly recognizes that the President's Budget level for defense is needed, but authorizes it in a way that fails to acknowledge the need to reverse sequestration for both defense and non-defense spending.

Military Compensation and Retirement Modernization Commission (MCRMC)

Recommendations: The Administration appreciates the Committee's support for some of the MCRMC recommendations to improve our military compensation and retirement systems, and encourages Congress to support the additional recommendations for which DOD has transmitted legislation. The Administration is still evaluating how the more complex recommendations - such as the Blended Retirement System and Reserve Component Duty Statuses - would affect the All-Volunteer Force, and expects to provide the Committee with further views on these proposals in the coming months. The Administration looks forward to continuing to work with Congress and the MCRMC on these provisions to meet our solemn responsibility to ensure that any changes protect the long-term viability of the All-Volunteer Force, improve quality-of-life for service members and their families, and safeguard the fiscal sustainability of the military compensation and retirement systems.

Compensation Reform: The President's Budget provides the funding and common-sense reforms that will ensure that service members receive competitive pay and benefits and critical training and equipment. The Administration believes it is imperative to slow the growth of basic pay and housing allowances, modernize military healthcare, and reform how commissaries operate, and strongly encourages members of Congress to support these reforms, which would save \$1.7 billion in FY 2016 and \$18 billion through FY 2020.

Among these reforms are proposed improvements that will modernize the TRICARE program. TRICARE remains fundamentally unchanged since its inception in the mid-1990s and is antiquated by contemporary health plan standards. The Consolidated Health Plan structure would provide DOD with substantial projected savings, simplify TRICARE for beneficiaries, and offer participants more freedom to choose providers. Failing to enact the TRICARE and other various reform proposals would compel DOD to take additional reductions in the areas of readiness, modernization, and force structure. The Administration looks forward to working with Congress on these and other reforms to modernize and enhance the military health care system.

Prohibition on Conducting Additional BRAC Round: The Administration strongly objects to section 2702, which would preclude any funds being authorized for use toward an additional BRAC round. This impairs the ability of the Executive Branch to plan for contingencies or make other needed adjustments that would improve military effectiveness and efficiency. The Administration strongly urges Congress to provide the BRAC authorization as requested, which would allow DOD to rightsize its infrastructure while providing important assistance to affected communities, freeing resources currently consumed by maintaining unneeded facilities. In the absence of authorization of a new round of BRAC, the Administration will pursue alternative options to reduce this wasteful spending and ensure that DOD's limited resources are available for the highest priorities of the warfighter and national security.

Modification of Authority to Provide Assistance to Counter the Islamic State of Iraq and the Levant: The Administration strongly objects to section 1223, which would significantly restrict the authority to provide the Government of Iraq with assistance to counter the Islamic State in Iraq and the Levant (ISIL) and threaten to interfere with the Executive Branch's ability to implement the President's strategy to counter ISIL. The provisions providing that three groups should be treated as "a country" for certain assistance purposes and mandating that assistance be provided directly to specific groups - even absent authorization from the Government of Iraq - are particularly damaging, have already created negative diplomatic consequences for the United

States, are inconsistent with the longstanding U.S. foreign policy of working to maintain a stable, unified Iraq, and could put the United States at risk of violating Iraq's sovereignty as well as the arms embargo on Iraq established by relevant U.N. Security Council resolutions. These provisions would fundamentally undermine the Government of Iraq and undercut our ongoing military operations in coordination with the Government of Iraq to degrade, destroy, and ultimately defeat ISIL. Moreover, while the Government of Iraq has made progress toward political reconciliation, that process is ongoing, and requiring that the provision of the assistance specified in section 1223 be contingent on satisfaction of all conditions articulated in that section could undermine this progress. Finally, with the consent and full support of the Government of Iraq, the United States already has provided - and plans to continue to provide - significant military assistance to the security forces of the Kurdistan Regional Government and Sunni tribal security forces.

Rocket Propulsion System Development Program: The Administration strongly objects to section 1603, which would place restrictions on the funds to eliminate the Nation's use of non-allied space launch engines for national security space launches by 2019. The Administration also strongly objects to moving Evolved Expendable Launch Vehicle (EELV) development funding into the more restrictive Rocket Propulsion System Development line item. The Administration is committed to transitioning from non-allied engines; however, an engine-centric approach as laid out in this section would not preserve the Nation's assured access to space. While rocket engines are a major component of a launch vehicle, they are only one of many critical components. These components must be designed and developed together to meet the ultimate cost and performance goals, not only for the launch vehicle but also for the support, operations, and production infrastructure as well. Without a comprehensive strategy that ensures the availability of operational launch systems, the government risks investing hundreds of millions of dollars without any guarantee of ensuring assured access to space.

Counterterrorism Partnerships Fund: The Administration objects to the elimination of the Counterterrorism Partnerships Fund (CTPF) because it removes a flexible, partnership-focused approach to counterterrorism. While the Administration is appreciative of support for the border security and capability enhancements for Jordan, military construction, and specific counter-ISIL programs, redirecting CTPF funding to these other activities precludes DOD from building on existing tools and authorities to respond to a range of terrorist threats. The Administration strongly encourages Congress to authorize the \$2.1 billion originally requested to continue support for CTPF activities in FY 2016.

Sense of Congress on the Government of Iran's Nuclear Program and Malign Military Activities: Section 1232 contains language pertaining to the ongoing P5+1 nuclear negotiations with Iran that will likely undermine our negotiating team as they work with our international partners to achieve a long-term, comprehensive deal that prevents Iran from acquiring a nuclear weapon.

Open Skies Treaty: The Administration objects to section 1244, which would change the reporting requirement to provide an assessment to Congress on Russian proposals to introduce new or modified sensors or aircraft from 30 days to 90 days prior to the United States certifying the aircraft or sensors. The 90-days requirement is impractical as it is only 30 days after we will be informed of Russia's notification of intent to certify, generally before analyses are completed. The Administration also objects to section 1265, which would limit the availability of Research, Development, Test and Evaluation (RDT&E) funds for arms control implementation in the Air Force until the Secretary of Defense reports to Congress on issues related to the Open Skies Treaty. The provision could affect the ability of the United States to modernize its observation

aircraft sensors by delaying funding needed to upgrade from wet film to digital sensors.

Missile Defense Programs: While appreciating the Committee's support of DOD's ballistic missile defense programs, the Administration objects to section 1668 requiring a concurrent anti-air warfare capability at the Aegis Ashore site in Poland and Romania by 2018. This requirement would entail hardware and software upgrades not previously planned and would introduce additional costs and potentially delay the deployment in Poland. Installing this capability would also require amending previously negotiated agreements with the host nation as well as extensive discussions with our NATO Allies. The Administration also objects to the requirement that a Terminal High Altitude Area Defense battery be available for rotational deployment to U.S. European Command's area of responsibility. This requirement would constrain DOD's flexibility in managing these high-demand/low-density assets. The Administration objects to the section 1401 authorization of \$30 million in FY 2016 for the planning and design of an East Coast missile field. The authorization is premature and other missile defense requirements have higher priority. The Administration objects to the requirement of section 1673 to homeport the Sea-based X-band (SBX) radar on the East Coast in 2020, which does not take into consideration the threat environment or cost and may constrain DOD's ability to best defend the United States.

Alternative Fuels: The Administration strongly objects to sections 315 and 316, which would impede DOD's use of alternative fuels. Sections 315 and 316 would impede efforts to foster a diverse, cost-competitive energy supply that enhances energy security for both military uses and civilian aviation. Section 315, which would exempt DOD from section 526 of the Energy Independence and Security Act of 2007, undercuts a law passed with strong bipartisan support that provides an environmentally sound framework for the development of future alternative fuels. Section 316, which would prevent the Secretary of Defense from entering into contracts to construct biofuels refineries, would restrict DOD's discretion to support the development of drop-in alternative military fuels to improve fuel diversity, increase operational flexibility, and manage budgetary risks associated with oil prices. A diverse approach to energy security - one that includes both conventional and new sources - would benefit the economy and enhance our military capability.

Additional Requirements for Streamlining of Department of Defense Management Headquarters: While the Administration welcomes the Committee's support for the Department's plan to reduce headquarters personnel and spending by 20 percent, the Administration strongly objects to section 905 as unnecessary. The Department's execution of then-Secretary of Defense Hagel's Department-wide 20 percent headquarters reduction plan projects savings of \$5.3 billion. These cuts were incorporated into the President's FY 2016 Budget and will continue through FY 2019. Section 905 also is overly restrictive in scope because it targets the National Capital Region and exempts DOD civilians whose salaries are funded from the Defense Working Capital Fund. This could have a profound impact on personnel and cause arbitrary across-the-board cuts.

Level of Readiness of Civil Reserve Air Fleet (CRAF) Carriers: The Administration strongly objects to section 1084, which would severely constrain DOD's flexibility in managing the military airlift system by effectively requiring the Department to set aside a projected minimum amount of business for commercial air carriers without prior considerations of the impacts on military readiness. DOD's management of commercial air carrier support ensures commercial augmentation must not be at the expense of the operational readiness of organic military airlift. However, section 1084 would mandate a consultative - and inherently conflicting - role for industry in apportioning business between commercial and organic resources, inhibiting military

airlift readiness, the military airlift system, and DOD's ability to rapidly respond to emerging airlift requirements.

Requirement to Provide Certain Documents to Congress: The Administration objects to section 1061, which would require the provision of summaries of defense planning guidance and contingency planning guidance to Congress. Release of these summaries outside the Executive Branch could detrimentally affect the Department's programs by interfering with the ability of the President and the Secretary of Defense to give direction to subordinate military commanders and by compromising the candor and confidentiality of the advice given to the Secretary of Defense.

Congressional Notification of Sensitive Military Operations: The Administration strongly objects to section 1032, which modifies section 130f of title 10, United States Code, by striking the explicit Afghanistan exception to the notification requirement for sensitive military operations. Afghanistan continues to be regarded as an area of active hostilities. The counterterrorism mission to defeat the remnants of al-Qa'ida is ongoing, in addition to operations to prevent attacks by other extremist groups threatening U.S. forces and personnel in Afghanistan. This amendment would place an undue burden on the Executive branch, which already reports extensively to Congress on U.S. operations in Afghanistan.

Restriction on Retirement of the A-10: The Administration strongly objects to section 133, which is inconsistent with DOD's fiscal constraints and current priorities. Section 133 would restrict DOD from obligating or expending funds to retire A-10 aircraft as well as require a study by an independent agency focusing on what capabilities should be included in an A-10 replacement. The retirement restriction puts at risk needed recapitalization efforts impacting the acquisition and manning of the Air Force fighter enterprise. Additionally, the study specifies capability thresholds that may or may not be valid in future conflicts. DOD believes the Joint Strike Fighter and other multi-mission aircraft will replace the A-10's singular mission of close air support while also providing other critical capabilities.

Modernization of Ticonderoga Class Cruisers: The Administration strongly objects to the Committee's restrictions on the Department's plan to modernize its Ticonderoga Class Cruisers. The Committee's provision would erase planned savings of \$300 million to \$400 million, result in early depletion of Ship Modernization, Operations and Sustainment Fund funds, and accelerate the retirement of the cruisers. The Administration also strongly objects to the provision restricting the removal of ballistic missile defense capability from the cruisers. Maintaining this capability on cruisers will prevent scheduled combat systems upgrades, and upgrading the ballistic missile defense capability will increase overall modernization costs and delay the Navy's cruiser modernization.

National Guard Civil and Defense Support Activities and Related Matters: The Administration strongly objects to section 515, which would authorize Governors and Adjutants General of the various States to expend DOD funds to employ the National Guard of their States to perform support operations, missions, or activities in support of a civil authority of a State or Federal agency. This unwarranted intrusion on the authorities of the President and the Secretary of Defense would impose significant fiscal burdens on an already tight defense budget in order to fund non-defense missions, expose DOD to legal and fiscal risks for missions not under its control, and circumvent the national response system.

Limitation on Project Authorization to Carry Out Certain FY 2016 Projects: The Administration objects to section 2310, which would limit expending funds associated with the construction of Joint Intelligence Analysis Complex Consolidation (JIAC), Phase 2, at Royal Air Force Croughton, United Kingdom, and would limit action to realign forces at Lajes Field, Azores, until the Department conveys specific information to the Committee. The Administration looks forward to working with Congress on this issue in order to avoid the potential for significant financial costs during a period of constrained resources, uncertainty among our allies that share equities in the JIAC, and disruption in intelligence support to the warfighter.

Prohibition on Per Diem Allowance Reductions Based on the Duration of Temporary Duty Assignment or Civilian Travel: The Administration objects to section 602, which would prohibit a reduced rate of per diem for uniformed service members and DOD civilian employees based on the duration of travel. This prohibition, which applies only to DOD, is counterproductive to a growing government-wide trend toward implementing flat rate per diem for long-term travel. Section 602 would nullify an evidence-based policy decision that fairly compensates DOD travelers, demonstrates the Department's stewardship of taxpayer funds, and meets external mandates to simplify travel and reduce costs. It also would negate an estimated \$81.5 million in annual programmed savings and would produce additional contingency travel costs while imposing an unfunded annual requirement on the military departments.

Unrequested Funding: In this fiscally constrained environment, the Administration objects to the authorization of billions of dollars of unnecessary funding offset by equal cuts to higher priority items requested in the President's Budget. Unrequested items include \$1.15 billion for extra F/A-18 aircraft, \$1 billion for extra Joint Strike Fighters, \$683 million to keep A-10 aircraft, \$128 million for extra UH-60 helicopters, and \$722 million to reverse planned savings associated with compensation reform proposals to slow the growth in basic housing allowance payments and to reform commissary operations. The Administration has made extensive efforts to assess, prioritize, and balance force capacity, capability, and readiness in developing the FY 2016 Budget. Extra programs inserted in the budget come at the expense of programs that are more important, and will create ripple effects across the rest of the budget.

Operation and Maintenance and Military Personnel Reductions: The Administration objects to the billions of dollars of undistributed reductions in the bill across the operation and maintenance and military personnel accounts. The operation and maintenance reductions would be applied to those programs funded in section 4301, which include readiness, depot maintenance, base operations support, and facilities sustainment, restoration, and modernization line items. These reductions will delay the Department's full-spectrum readiness recovery efforts and increase the backlog of maintenance at the military departments' depot facilities.

Restrictions on the Overhaul and Repair of Naval Vessels in Foreign Shipyards: The Administration strongly objects to section 1021, which would prohibit the Navy from proceeding with planned overhaul, repair, or maintenance efforts with a duration of more than six months, which are scheduled to be accomplished in foreign shipyards on ships whose homeports are not in the United States or Guam. This restriction on Forward Deployed Naval Force ships would reduce operational availability and increase costs due to the transit time to the United States or Guam, and negatively affect Sailors' quality of life by subjecting them to extended separations from their families. Alternatively, changing ship homeports would cause harm to Sailors and their families by requiring earlier and more frequent relocations.

Unified Medical Command: The Administration strongly objects to section 711, which would direct DOD to establish a Unified Medical Command (UMC). In addition to already possessing the necessary authorities to organize its medical forces, past reviews by the Department have concluded a UMC is not in the best interest of the Department. In order to best balance oversight from the Office of the Secretary of Defense with the Services' mission needs, the Department believes that the current organizational construct contained in the Defense Health Agency is optimal. The establishment of a UMC would likely impose significant costs without realizing efficiencies or savings.

Proposed Realignments of Military Medical Treatment Facilities: The Administration objects to section 713, which would require a mandatory 90-day waiting period before restructuring or realigning a military treatment facility and impose a burdensome reporting requirement. As the Army, for example, draws down end strength, it must have the flexibility to realign medical capabilities corresponding to end strength levels. Keeping medical personnel at underutilized facilities directly impacts the ability to properly resource fully utilized facilities and to have our medical providers maintain their clinical skills. Any delay would adversely affect medical readiness and clinical proficiency to the detriment of our Soldiers and their families.

Landmines: The Administration strongly objects to section 1057, which would limit the availability of funds for the destruction of anti-personnel landmines. This provision would interfere with DOD's ability to dispose of unneeded munitions and undermine the Administration's policy of working to eliminate anti-personnel landmine stockpiles other than those required for the defense of the Republic of Korea.

Limitation on Service Secretary Revocation of Combat Valor Awards: The Administration objects to section 582, which would infringe on the authority of the military service Secretaries to revoke certain combat valor awards. Such a limitation would create a disconnect with the authority vested in the Secretaries to approve valor awards. Current provisions of title 10, that prohibit award or presentation of valor medals to a person whose continuous and on-going service has not been honorable, protect the integrity of awards by ensuring that they are not given to those who might demand the benefits of the award even after engaging in heinous criminal acts, such as hostile acts against the United States and sexual assault.

Disposition of Weapons-Usable Plutonium: The Administration strongly objects to section 3116, which would require the Secretary of Energy to carry out construction and project support activities for the Mixed Oxide (MOX) Fuel Fabrication Facility. This language is unnecessarily restrictive and would preclude alternative, and potentially more cost-effective approaches to implementing U.S. commitments in the 2000 Plutonium Management and Disposition Agreement and its 2010 annex to dispose of excess weapons plutonium. The Department of Energy (DOE) contracted for an independent validation of costs for plutonium disposition alternatives in accordance with congressional mandates. Based on the first phase of this analysis, the remaining costs for disposing of plutonium using the MOX approach exceed \$47 billion, which is over \$22 billion more than the preliminary estimates done in 2014. The results of this analysis will inform the Administration's approach to plutonium disposition.

Nuclear Weapons Dismantlement: The Administration strongly objects to section 3121, which would limit funding for nuclear weapons dismantlement. It restricts the Executive Branch's ability to determine the appropriate stockpile adjustments to meet national security goals and runs counter to the Nation's commitments in support of the goals of the Nuclear Nonproliferation Treaty. Requiring the President to certify that any dismantlement is for a life extension program

constrains our ability to respond expeditiously to the needs of the stockpile. Additionally, the National Nuclear Security Administration (NNSA) already provides annually, in the Stockpile Stewardship and Management Plan, dismantlement accomplishments and plans for the future.

Nonproliferation Technology Development: The Administration strongly objects to section 3120, which would limit funds for nonproliferation or arms control verification or monitoring technologies from being used to develop technologies beyond technology readiness level (TRL) 5 unless certain requirements are met. NNSA activities span the full range of TRLs, from basic research to production and deployment. As drafted, this language would significantly impede development of all high TRL work including: space-based nuclear detonation detection; advanced radiation detection; nuclear safeguards; emergency response and verification; and monitoring technology. The International Atomic Energy Agency (IAEA) can only meet its mission if it has state-of-the-art safeguards approaches and technologies. This is particularly important as we look forward to the IAEA's safeguards implementation responsibilities.

Authorization of Production of Special Nuclear Material Outside the United States by Foreign Country with Nuclear Naval Propulsion Program: The Administration strongly objects to section 3119, which would limit and condition authorizations under 10 CFR Part 810 of technology transfers and assistance to countries that have a naval nuclear propulsion program. Countries with such programs include generally authorized countries such as the United Kingdom, France, and Brazil, as well as countries like Russia, China, and India, for which specific authorization is required. The Secretary would be prohibited from issuing authorizations with respect to such countries until the Director of National Intelligence and the Chief of Naval Operations submit an assessment to the specified committees of the risks of diversion of such nuclear technology transfer to a country's naval nuclear propulsion program, even if the technology or assistance has no relationship to or utility in naval propulsion. Halting these authorizations would have a significant negative financial impact on the U.S. nuclear industry and on diplomatic relations between the United States and the impacted countries.

Fixed Site Radiation Portal Monitors: The Administration objects to section 3117, which would prohibit use of FY 2016 and subsequent fiscal year funds for research and development, installation, or sustainment of fixed site radiological portal monitors or equipment in foreign countries. This prohibition would preclude maintenance, training, and gradual transition to indigenous support for equipment to detect potential trafficking in nuclear and radiological materials, an important element of the U.S. multi-faceted strategy to interdict materials outside of regulatory control. It would also negatively impact U.S. relationships and cooperation with foreign partners to prevent proliferation of nuclear and radiological materials.

Personnel Levels: The Administration objects to section 3111, which would limit the size of the NNSA Federal workforce needed to provide necessary program and project guidance and oversight to execute nuclear security programs. NNSA must have the ability to recruit, hire, and retain a highly skilled Federal workforce that includes an appropriate mix of competitive and excepted service in order to fulfill its mission consistent with programmatic requirements. The cap on Federal competitive staffing unduly restricts NNSA's flexibility and places at risk the appropriate, and inherently governmental Federal oversight and management of critical programs.

Transfer of Nonoperational Facilities: The Administration objects to section 3141, which would require the transfer of NNSA excess facilities within three years to the Environmental Management (EM) program for decontaminating and decommissioning (D&D). In January

2015, the Secretary established a working group that is already developing an analysis and options for how the Department may prioritize and address the numerous contaminated excess facilities owned by the various DOE program offices. The path forward for disposition of these facilities should be determined through this ongoing analysis and appropriate planning, not a required three-year timeline for transfer. Although the Administration agrees that high-risk, excess facilities should be “disposed” quickly, safely, and cost-effectively, section 3141 would not address the underlying issue of risk because the Department is unable to undertake D&D of all of these facilities in the foreseeable future due to ongoing mission requirements and enforceable regulatory cleanup commitments.

Uranium Enrichment Decontamination and Decommissioning Fund: The Administration objects to section 4701, which would eliminate the authorization of appropriations for the contribution to the Uranium Enrichment Decontamination and Decommissioning Fund. This funding is critical to the Administration’s proposal to reauthorize the Fund to address the significant shortfall in resources allocated for cleanup of shutdown uranium enrichment plants that supported nuclear weapons production and commercial power generation.

Greater Sage-Grouse and Public Land Management: The Administration strongly objects to section 2862, which would mandate a delay until 2025 in listing or deciding not to list the Greater Sage-Grouse under the Endangered Species Act and would effectively override longstanding principles of major Federal land management statutes, including the Federal Land Policy and Management Act and the National Forest Management Act. Such unprecedented delays undermine science-based decision-making, are unnecessary for military readiness, and are ill-advised for purposes of public land management. Such delays create uncertainty for landowners and businesses, and effectively suspend unprecedented collaborative conservation efforts that have been developed with extensive public input. Additional provisions would divest stewardship of Federal land from Federal agencies, requiring these lands to be managed consistent with State-approved management plans. Moreover, existing law already allows the Secretary of Defense to obtain an exemption of any action from the requirements of the Endangered Species Act for reasons of national security.

The National Historic Preservation Act: The Administration objects to section 2853, which would amend the National Historic Preservation Act to allow Federal agencies to object to a designation of Federal properties for reasons of national security. Listing a property on the National Register of Historic Places, or designating it as a National Historic Landmark, does not limit any Federal agency’s decision-making authority. Decisions on how to manage the property, informed by the evaluation of its significance and integrity, remain the responsibility of the agency with jurisdiction over that property. The Administration is not aware of any specific instance where such a designation has adversely affected national security. Enactment of this section could lead to a fundamental weakening of highly successful and widely admired programs that Congress intended to help recognize and protect our shared heritage.

Military Land Withdrawals: The Administration has concerns with the bill’s provisions relating to military land withdrawals. The responsible agencies will continue to coordinate to facilitate responsible use of public lands to support military readiness, training, and testing, acknowledging the current system of periodic legislative re-withdrawals is not particularly efficient and does not provide for the optimum land management regime. But, the Administration is not prepared to support transfers of such lands without a process that provides careful consideration of the evolving needs, interests, and any supporting legislative provisions. The Administration stands ready to consider measures and approaches to make the use of public

lands for military needs more efficient.

The Annual Compliance Report: The Administration has concerns with section 1262 as it vests in the Office of the Director of National Intelligence functions for which the Department of State has lead responsibility, specifically regarding international compliance with arms control and nonproliferation agreements and commitments. The Department of State is uniquely positioned to provide policy and legal expertise on a range of complex arms control compliance issues and already has the responsibility to prepare an annual report on such compliance.

Special Immigrant Visas (SIV): The Administration appreciates the Committee's indication of support for continuation of the Afghan SIV program, but is concerned about the absence of authority to provide additional visas for this program in the bill. The Administration proposes an additional 5,000 visas for FY 2016. The SIV program enables Afghan nationals who have aided U.S. efforts through their work, and who have experienced or are experiencing an ongoing serious threat as a result, to apply for these visas. The Administration strongly supports extension of this program and looks forward to working with Congress to enact the President's proposal.

Maritime Security Fleet: The Administration objects to section 3504, which could significantly reduce the U.S. Government's oversight of vessels of the Maritime Security Fleet by placing the primary responsibility for ensuring fleet readiness with classification societies, some of which are foreign-owned and foreign-controlled. Since 2013, there have been 27 documented cases of nonconformities for lifesaving, firefighting, or environmental conditions aboard vessels that classification societies certified; of these, 55 percent were discovered by the Coast Guard after certification and directed back to the classification society for remediation. By restricting the Secretary's discretion to guarantee the fleet's readiness to carry critical military cargo at all times, section 3504 would leave the U.S. Government reliant on domestic and foreign classification societies to perform necessary inspections and, by extension, to certify that these vessels meet the U.S. Government's requirements for national security operations.

* * * * *