



No. 25

November 20, 2012

S. 3254 – FY13 Defense Authorization Bill

Noteworthy

- **Background:** S. 3254 was introduced by Sen. Carl Levin (D-MI) on June 4, 2012. The Senate Armed Services Committee passed the bill by a vote of 26-0.
- **Floor Situation:** A motion to proceed to the fiscal year 2013 defense authorization bill, S. 3254, has been made. The Majority Leader has indicated the Senate will turn to this bill upon return from Thanksgiving.
- **Executive Summary:** The Administration's fiscal year 2013 defense budget request was for \$631.6 billion, composed of \$543.1 billion for the base budget and \$88.5 billion for ongoing operations in the war against terrorism (or what the Administration labels "Overseas Contingency Operations" (OCO)). The bill provides \$631.4 billion in budget authority, of which \$543.1 billion is for the base budget and \$88.2 billion is for OCO. The Congressional Budget Office scores it as providing \$634 billion in budget authority for the year.

Overview

The Administration's fiscal year 2013 defense budget request was for \$631.6 billion, which was composed of \$543.1 billion for the base budget and \$88.5 billion for OCO. Of the \$543.1 billion base budget request, \$525.3 billion was for the Department of Defense and \$17.8 billion was for the national security programs of the Department of Energy. CBO scored the final request as seeking \$646.7 billion in budget authority for fiscal year 2013, which included matters outside the jurisdiction of the Senate Armed Services Committee.

The bill provides \$631.4 billion in budget authority for national defense programs, of which \$543.1 billion is for the base budget and \$88.2 billion is for OCO. CBO scored it as providing \$634 billion in budget authority for fiscal year 2013.

Of particular note, the bill authorizes the following amounts:

- \$97 billion in procurement funding, which is \$473 million less than the President's budget request;
- \$69.3 billion in funding for research, development, test, and evaluation, which is \$122 million less than the requested level;
- \$174.8 billion for operation and maintenance, which is \$161 million less than the request;
- \$135.1 billion for military personnel, which is essentially equal to the President's request;
- \$88.2 billion for Overseas Contingency Operations, which is \$301 million less than requested;
- \$17.3 billion for atomic energy defense activities, which is \$431 million less than the request; and
- \$10.6 billion for military construction, which is \$600 million less than the request.

Also of note:

- Section 1004 directs the Secretary of Defense to submit a report on the impact of sequestration, along with a list of the programs and activities that would be reduced or terminated, and an estimate of the number and value of contracts affected.
- Section 313 prohibits the production or sole purchase of an alternative fuel if the cost exceeds the cost of traditional fossil fuels used for the same purpose. Section 2823 prohibits the construction of a biofuels refinery or any other infrastructure used to refine biofuels unless the project is specifically authorized.
- Section 1216 limits reimbursement to Pakistan for certain costs associated with support provided to U.S. military operations, requiring first a certification that Pakistan has opened ground lines of supply, is taking actions to prevent militant extremist groups from basing and operating in Pakistan, and is not imprisoning Dr. Shakil Afridi.
- The bill does not contain a prohibition, as it has in the past, against transferring a Guantanamo detainee to the United States.

House Action

The House approved its fiscal year 2013 Defense Authorization bill, H.R. 4310, on May 18, 2011, by a vote of 299-120.

According to the House Armed Services Committee, that bill provided an overall level of \$635.2 billion in budget authority, of which \$546.8 billion was for the base budget and \$88.5 billion was for OCO.

CBO scored H.R. 4310 as providing \$637 billion in budget authority for fiscal year 2013 (which is \$3 billion more than the CBO score for the Senate bill), composed in part of \$89 billion for OCO.

Bill Provisions

Division A – Department of Defense Authorizations

Title I – Procurement

Authorization of Appropriations

For procurement, the committee approved \$97 billion, which is \$473 million less than the President's budget request. Section 101 makes the following authorizations for fiscal year 2013 in accordance with the table outlined in Section 4101:

- for Army procurement:
 - \$5.8 billion for aircraft,
 - \$1.3 billion for missiles,
 - \$1.7 billion for weapons and tracked combat vehicles,
 - \$1.6 billion for ammunition, and
 - \$9.3 billion for other procurement.

- for Navy procurement:
 - \$17.2 billion for aircraft,
 - \$3.1 billion for weapons,
 - \$14.4 billion for shipbuilding and conversion, and
 - \$6.2 billion for other procurement.

- \$1.4 billion for Marine Corps procurement.

- for Air Force procurement:
 - \$10.1 billion for aircraft,
 - \$5.5 billion for missiles, and
 - \$16.7 billion for other procurement.

- \$4.4 billion for Defense-wide procurement.

Air Force Programs

- Section 141 amends the statutory requirement that the Air Force maintain 301 strategic airlift aircraft down to 275, and further provides that any C-5 aircraft retired after September 30, 2012, be stored in such a condition that it can be returned to service and that it not be used for spare parts unless authorized by the Secretary of Defense.

Title II – Research, Development, Test and Evaluation (RDT&E)

- For RDT&E, the committee approved \$69.3 billion, which is \$122 million less than the President’s budget request. Section 201 makes the following authorizations for fiscal year 2013 in accordance with the table outlined in Section 4201:
 - \$8.5 billion for the Army,
 - \$16.9 billion for the Navy,
 - \$25.3 billion for the Air Force,
 - \$18.4 billion for Defense-wide, and
 - \$189.3 million for Operational Test and Evaluation.

Missile Defense Programs

- The bill authorizes \$9.7 billion for missile defense programs, which is essentially equal to the President’s request, and is composed of \$8.2 billion for the Missile Defense Agency, which is \$400 million more than the request, and \$1.5 billion for Army and related missile defense programs, which is \$400 million less than the request.
- Section 233 makes findings and expresses a sense of Congress regarding missile defense cooperation with Russia that such cooperation is in the U.S. interest, should not in any way limit U.S. or NATO missile defense capabilities, and should be pursued in a manner that protects classified information.
- Section 236 prohibits the use of funds for the Medium Extended Air Defense System (MEADS).
- The committee recommended a \$100 million increase to the \$99.8 million budget request for United States-Israeli missile defense cooperation programs, directing that \$60 million of the additional amount be directed to David’s Sling short-range ballistic missile defense system, \$20 million to the Arrow System Improvement program, and \$20 million for the Arrow-3 upper-tier interceptor.

Title III – Operation & Maintenance (“O&M”)

- For O&M, the committee approved \$174.8 billion, which is \$161 million less than the President’s budget request. Section 301 makes the following authorizations for fiscal year 2013 in accordance with the table outlined in Section 4301:
 - \$36.4 billion for the Army,
 - \$41.6 billion for the Navy,
 - \$35.4 billion for the Air Force,
 - \$6 billion for the Marine Corps,
 - \$32 billion for Defense-wide,
 - \$3.2 billion for the Army Reserve,
 - \$1.2 billion for the Navy Reserve,
 - \$3.2 billion for the Air Force Reserve,
 - \$272 million for the Marine Corps Reserve,

- \$7.1 billion for the Army National Guard, and
 - \$6 billion for the Air National Guard.
- By a vote of 13-12 in committee, Section 313 of the bill was included to prohibit the Department from using funds for the production or sole purchase of an alternative fuel if the cost exceeds the cost of traditional fossil fuels used for the same purpose.
 - Section 321 repeals the provisions of the fiscal year 2012 Defense Authorization Act (Sections 321 and 327) related to depot-level maintenance, particularly concerning the balance of work between the private and public sectors, while directing the military departments in report language to return to their policies and practices that were in place prior to the enactment of the fiscal year 2012 Authorization Act.
 - Section 341 directs the Secretary of Defense to implement an efficiencies plan for the Department's civilian and service contractor workforce to achieve savings in the funding for each such workforce not less, as a percentage of such funding, than the savings to be achieved for military personnel by the planned reduction in military end strengths through fiscal year 2017. It goes on to express the sense of Congress that 30 percent of these savings should be made available for costs of assisting military personnel separated from the armed forces in their transition from military service.
 - In report language the Committee noted the Department plans to reduce military end strength by five percent during this time, and a comparable level of savings in the civilian workforce would be in excess of \$5 billion.
 - In report language, the committee noted the Department continues to under-execute its O&M accounts, with large unobligated balances at the end of each of the past few fiscal years, and the committee accordingly recommended decreases in the service O&M accounts as follows:
 - \$120 million for Army from a request of \$36.6 billion,
 - \$23 million for Navy from a request of \$41.6 billion,
 - \$32 million for Air Force from a request of \$35.4 billion, and
 - \$25 million for Defense-wide from a request of \$31.9 billion.
 - In report language the Committee encouraged the Department to consider the role of U.S. producers and potential means to develop reliable domestic sources of rare earth materials, noting that China provides approximately 94 percent of the world's rare earth oxides and nearly all rare earth metal in the defense-related supply chain.
 - In report language the committee directed the Secretary to submit a report on how the Department is addressing the Defense Science Board's October 2011 report concerning the national and international security aspects of climate change.

Title IV – Military Personnel

- For military personnel, section 421 authorizes \$135.1 billion to be appropriated for military personnel, which is essentially equal to the President's request;

- Section 401 authorizes the following end strengths for active duty personnel, all of which are at the President’s budget request (except for the Air Force, which is 697 more):
 - Army: 552,100, which is 9,900 less than the level authorized last fiscal year;
 - Navy: 322,700, which is 3,000 less than the level authorized last fiscal year;
 - Air Force: 329,597, which is 3,203 less than the level authorized last fiscal year; and
 - Marines: 197,300, which is 4,800 less than level authorized last fiscal year.

- Section 411 authorizes the following end strengths for reserve personnel, all of which are at the President’s budget request (except the Air National Guard and Air Force Reserve):
 - Army National Guard: 358,200, which is equal to the level authorized last fiscal year;
 - Army Reserve: 205,000, which is equal to the level authorized last fiscal year;
 - Navy Reserve: 65,500, which is 3,700 less than the level authorized last fiscal year;
 - Air Force Reserve: 72,428, which is 1,028 more than the level authorized last fiscal year;
 - Marines Corps Reserve: 39,600, which is equal to the level authorized last fiscal year;
 - Coast Guard Reserve: 9,000, which is 1,000 less than level authorized last fiscal year; and
 - Air National Guard: 106,435, which is 265 less than level authorized last fiscal year.

Title V – Military Personnel Policy

- Section 521 directs the Secretary to implement a plan to measure the Department’s efforts to achieve a diverse officer and enlisted corps and report to Congress on the same, to include submitting the number of service members promoted by gender and race or ethnicity for each grade under each military department.

- Section 525 directs the Secretary to submit a report on the advisability of providing certain awards to service members or civilian federal employees who are killed or wounded in a terrorist attack within the United States determined to be inspired by ideological, political, or religious beliefs.

- Section 542 directs the Secretary of Defense to make certain modifications to the Department’s comprehensive policy on sexual assault prevention and response.

- Section 543 directs the Secretary to submit a report on hazing in the Armed Forces.

Title VI – Compensation and Other Personnel Benefits

- This title authorizes an across-the-board military pay raise of 1.7 percent, as well as various other bonuses and special pay authorities aimed at encouraging enlistment, reenlistment, and continued service by active duty and reserve military personnel.

- 10 U.S.C. § 987 regulates the extension of certain consumer credit to service members and their dependents. Section 651 of this bill amends that provision to bring vehicle title and payday loans within its scheme. It further directs the Secretary to promulgate a policy on the

predatory extension of credit through installment loans targeting service members and their dependents with the goal of curbing predatory lending practices not covered by 10 U.S.C. § 987 and improving the financial literacy of service members. Section 653 of the bill creates a new private right of action for alleged violations of 10 U.S.C. § 987.

Title VII – Health Care

- By a vote of 16-10 in committee, Section 711 of the bill was included to authorize the use of Department funds for abortion in cases of rape and incest.

Title VIII – Acquisition Policy and Management

- Section 801 limits the Department’s ability to use cost-type contracts for the production of major weapons systems. A cost-type contract is generally one in which the contractor is paid on the basis of costs incurred, along with an additional fee in certain instances.
- Section 821 of the bill extends for one year Section 808 of the fiscal year 2012 Defense Authorization Act, which limits the total amount the Department may obligate for contract services in fiscal year 2013 to fiscal year 2010 levels (not including spending in the OCO Account).
- Section 842 lowers the cap on contractor pay allowable for DOD reimbursement to \$230,700. The current limit that was based on the median amount of compensation provided to senior executives in large U.S corporations is \$763,000. The new cap would match the maximum level of compensation allowable for federal employees, which is set at the annual salary of the Vice President (currently \$230,700).

Title IX – Department Organization and Management

- Section 902 expands the duties and responsibility of the Nuclear Weapons Council to require it submit to Congress, concurrent with the submission of the President’s budget request, a certification of whether or not the amounts requested for the National Nuclear Security Administration (NNSA) meet nuclear stockpile program requirements. It further directs the Council to notify Congress if either House of Congress adopts a bill providing insufficient funds to NNSA for nuclear stockpile program activities. Later in report language, the committee said the purpose of this is “to prevent future instances where the Department of Defense and the Commander of U.S. Strategic Command are presented a budget that does not meet strategic requirements or national policy.”
- Section 923 requires the consolidation of Department computer networks to improve security and management.
- Section 925 requires the development of a program to improve the security, quality, and competition in computer software procurement.

- Section 932 prohibits the use of funds to expand the Defense Clandestine Service beyond the number of employees on April 20, 2012.
- After finding that the fiscal year 2011 Defense Authorization Act authorized the Department to control supply chain risks related to its National Security Systems, Section 934 expresses the sense of the Senate that the Department requires authority to mitigate supply chain risks to its information technology systems falling outside the scope of such National Security Systems.
- Section 941 establishes within the Department a National Language Service Corps, with the purpose of providing a personnel pool with foreign language skills to support the federal government.
- In report language, the Committee directed GAO to review past spectrum auctions to determine historical differences between initial relocation cost estimates and actual auction proceeds.

Title X – General Provisions

- Section 1001 structures the general transfer authority provided to the Department, limiting that authority to \$5 billion, requiring that transfers may only be made to items with a higher priority than the items from which money is transferred, and specifying that transfer authority cannot be used to support an item denied authorization by Congress. This section then provides that transfers between military personnel authorizations do not count toward the \$5 billion limit.
- Section 1002 provides additional transfer authority beyond that provided elsewhere in this bill that if the amount authorized to be appropriated for NNSA weapons activities for fiscal year 2013 is less than \$7.9 billion, the amount projected to be required for such activities by the Obama Administration in its “[commitment](#)” to modernizing the U.S. nuclear weapons complex in conjunction with Senate ratification of New START, then the Secretary is authorized to transfer to the Secretary of Energy up to \$150 million for NNSA weapons activities.
- Section 1003 codifies the Department’s goal of achieving an audit-ready statement of budgetary resources by 2014.
- Section 1004 pertains to the effect of sequestration on the Department. It makes a collection of findings, noting that the sequestration of \$492 billion from the Department of Defense over 10 years will be in addition to the reductions of \$487 billion already being implemented by the Department. It then directs the Secretary to submit a report on the impact of sequestration on the Department, such as on the ability of the Department to carry out the National Military Strategy of the United States and on military readiness. It further requires a list of the programs, projects, and activities that would be reduced or terminated as a result of sequestration, as well as an estimate of the number and value of contracts that will be terminated, restructured, or revised as a result of sequestration.

- Section 1013 limits to \$50 million the amount of support the Department may provide to a Colombian campaign against narcotics trafficking and terrorist organizations, and further prohibits participation in combat operations in connection with such (except for the purpose of self-defense or rescuing U.S. citizens).
- Section 1014 requires quarterly reports describing the Department's expenditure of funds for counter-drug activities for each foreign government so supported.
- Section 1021 directs the Chief of Naval Operation to submit a report describing the current requirements for naval combat vessels, and if that number is less than 313, the report shall include a justification for that number.
- Section 1031 extends for one year the certification requirements the Secretary must make in order to transfer a Guantanamo detainee out of U.S. custody. It further extends for one year the prohibition on the use of funds to construct or modify facilities in the United States for the purpose of receiving Guantanamo detainees. The bill does not contain a prohibition against transferring a Guantanamo detainee to the United States.
- Section 1047 expresses the sense of the Senate that each military service should submit through the Secretary and Chairman of the Joint Chiefs of Staff to the Congress within 45 days of the President's budget request being submitted a list of priority military programs that, if funds were to become available, would substantially reduce operational or programmatic risk or accelerate the creation or fielding of a critical military capability (commonly known as the unfunded priorities list).
- Section 1071 requires the President to certify annually whether nuclear modernization plans are fully funded at levels President Obama stated were required in his November 2010 nuclear modernization plan. If they are not, the President is to submit another report concerning the effects of this under-funding on military capability.
- Section 1083 expresses the sense of Congress to urge the Department to investigate ways to access the talent pool of non-U.S. citizens with advanced scientific and technical degrees from U.S. institutions (subject to all appropriate security requirements).

Title XII – Matters Relating to Other Nations

- Section 1203 provides that the Secretary of Defense, with the concurrence of the Secretary of State, may provide assistance during fiscal year 2013 to enhance the ability of Yemen, certain East African countries, and the African Union Mission in Somalia to conduct counterterrorism operations against al Qaeda, al Shabaab, and al Qaeda in the Arabian Peninsula and its affiliates. Assistance is limited to not more than \$75 million to Yemen and not more than \$75 million to the other entities collectively.
- Section 1211 modifies and extends for one year the authorization to use up to \$200 million in Army O&M Overseas Contingency Operation funding in fiscal year 2013 for the

Commanders' Emergency Response Program (CERP). Under CERP, U.S. commanders are authorized and provided funds to respond to local urgent humanitarian relief and reconstruction requirements within their areas of responsibility in Afghanistan.

- The committee reduced the \$400 million budget request by \$200 million on the position that CERP requirements will decrease as U.S. troop levels decrease there, and that the rate of expenditure of CERP funds in Afghanistan has recently decreased significantly.
- Section 1216 modifies and extends for one year the authorization to reimburse certain coalition nations for support provided to U.S. military operations. It limits the aggregate reimbursement to \$1.75 billion for fiscal year 2013. It prohibits the reimbursement of Pakistan for any claims of support during such time as the ground lines of supply through Pakistan to Afghanistan were closed to the transshipment of equipment and supplies in support of operations in Afghanistan. It further prohibits reimbursement to Pakistan unless the Secretary can make certain certifications, including that Pakistan has opened ground lines of supply, is taking actions to prevent militant extremist groups from basing and operating in Pakistan, and is not imprisoning Dr. Shakil Afridi as a result of his cooperation with U.S. counterterrorism efforts.
- Section 1219 requires the Secretary to utilize either a Federally Funded Research and Development Center or a non-governmental institute to conduct an independent assessment of the Afghan National Security Forces.
- Section 1220 requires a report on the Afghan Peace and Reintegration Program.
- Section 1231 directs the Defense Policy Board to review Department efforts to build the capacity of foreign security forces.
- Section 1244 authorizes the Secretary to establish a program to enable military commanders to provide assistance, at their discretion, to foreign civilians for damage, personal injury, or death that is incident to combat operations in a foreign country. Such assistance shall not be considered an acknowledgment of any legal obligation to provide such compensation.
- In report language, the committee directed the Department to complete a report on the “insider threat” of Afghan National Security Forces personnel or impersonators attacking coalition troops.
- In report language, the committee noted “the defense spending burden within the NATO alliance has fallen predominantly on the United States,” observing “only 3 of the 28 member countries met the requirement of spending 2 percent of their gross domestic product on defense in 2011.”

Title XIII – Cooperative Threat Reduction With States of the Former Soviet Union

- Section 1302 authorizes \$519.1 million for Cooperative Threat Reduction (CTR) programs, which is the amount of the budget request, including:
 - \$68.3 million for strategic offensive arms elimination,

- \$14.6 million for chemical weapons destruction,
- \$99.8 million for global nuclear security,
- \$276.4 million for cooperative biological engagement,
- \$32.4 million for proliferation prevention,
- \$2.4 million for threat reduction engagement, and
- \$25.2 million for activities designated as Other Assessments/Administrative Costs.

Title XIV – Other Authorizations

- This title authorizes, among other things, \$33 billion for the Defense Health Program, which is \$452 million more than the budget request, owing to the committee’s rejection of the Administration’s projected savings for the program from proposed enrollment fees and increases to other Tricare fees.

Title XV –Authorization for Supplemental Appropriation for Overseas Contingency Operations

- This title authorizes \$88.2 billion in additional appropriations for the Department of Defense for fiscal year 2013 for funding for OCO, which is \$301 million less than requested.
- Procurement:
 - Aircraft, Army: \$415.2 million,
 - Missile, Army: \$49.7 million,
 - Weapons and tracked combat vehicles, Army: \$15.4 million,
 - Ammunition, Army: \$357.5 million,
 - Other, Army: \$2 billion,
 - Joint Improvised Explosive Device Defeat Fund: \$1.7 billion,
 - Aircraft, Navy: \$164.6 million,
 - Weapons, Navy: \$23.5 million,
 - Other, Navy: \$98.9 million,
 - Marine Corps: \$943.7 million,
 - Aircraft, Air Force: \$305.6 million,
 - Missile, Air Force: \$34.4 million,
 - Ammunition, Air Force: \$116.2 million,
 - Other, Air Force: \$2.8 billion, and
 - Defense-wide: \$398.2 million.
- RDT&E:
 - \$19.9 million for the Army,
 - \$60.1 million for the Navy,
 - \$53.1 million for the Air Force, and
 - \$122.4 million for Defense-wide.
- O&M:
 - \$28.4 billion for the Army,
 - \$5.9 billion for the Navy,

- \$9.2 billion for the Air Force,
 - \$4.1 billion for the Marine Corps,
 - \$7.8 billion for Defense-wide,
 - \$154.5 million for the Army Reserve,
 - \$55.9 million for the Navy Reserve,
 - \$120.6 million for the Air Force Reserve,
 - \$25.5 million for the Marine Corps Reserve,
 - \$382.4 million for the Army National Guard,
 - \$20 million for the Air National Guard, and
 - \$5.7 billion for the Afghanistan Security Forces Fund.
- Section 1505 authorizes \$14.1 billion for military personnel accounts in this title.
 - Section 1522 provides additional transfer authority beyond that provided elsewhere in this bill of \$4 billion for amounts authorized to be appropriated in the OCO title of the bill.
 - Section 1532 provides that up to \$15 million of the funds made available for the Joint Improvised Explosive Device Defeat Fund may be used to support Pakistan in ways critical to countering the flow of improvised explosive device precursor chemicals from Pakistan to Afghanistan. It further authorizes the Secretary to transfer such funds to another government entity to provide such support if so decided.
 - When the \$227.4 million of the budget request for the Joint Improvised Explosive Device Defeat Fund from Title I is transferred to this title of the bill, the total budget request for JIEDDO is \$1.9 billion. This transfer manifests a committee position that JIEDDO funding should continue to be done through contingency operations funding, “as it was established in response to threats confronted by U.S. forces in Afghanistan.” The committee then reduced funding for JIEDDO by \$200 million from the request.
 - Noting in report language that approximately one-fourth of the Administration’s budget request for the Special Operations Command was in OCO funding, Section 1533 directs the Secretary to submit concurrent with the President’s fiscal year 2014 budget submission a plan to transition funding for the Command from the OCO budget to the base budget.
 - President Obama [said](#) in April 2009 that the fiscal year 2009 supplemental request would be “the last planned war supplemental.”
 - In report language, the committee directed the Comptroller General to conduct a review of the Department’s process for procuring for the Afghan military Mi-17 helicopters and parts through Rosoboronexport, the Russian export company providing significant arms to the Assad regime in Syria. The review is to assess the availability of alternative means to procure the helicopters and parts.

Title XVI –Military Compensation and Retirement Modernization Commission

- This title establishes the Military Compensation and Retirement Modernization Commission to review elements of military compensation and retirement benefits to ensure the long-term viability of the all-volunteer force and modernize and achieve sustainability of the compensation and retirement systems, while grandfathering current service members and retirees. Section 1607 then creates rules of Congress similar to BRAC for the consideration of the commission’s recommendations as a legislative proposal on an expedited basis without amendment.

Title XVII –National Commission on the Structure of the Air Force

- This title establishes the National Commission on the Structure of the Air Force to study the current structure of the Air Force to determine whether and how the structure should be modified to best meet current and anticipated Air Force mission requirements in a manner consistent with available resources, in part by identifying the proper balance between regular and reserve components. This would delay the Air Force’s proposed realignment of its forces and place that judgment “under the scrutiny of a national commission,” in the words of the committee in report language. In additional views, Ranking Member McCain expressed “serious concerns” with this.

Division B – Military Construction Authorizations

The committee approved \$10.6 billion for military construction, housing programs, and BRAC-related activities, which is approximately \$600 million less than the President’s budget. This division of the bill also authorizes the base closure accounts that fund military construction, environmental cleanup, and other activities required to implement the decisions in base closure rounds.

- Of this amount, Title XXVII authorizes \$476.1 million to carry out base closure activities, including those to implement the 2005 Defense Base Realignment and Closure round, which is equal to the budget request.
- The bill authorizes appropriations of \$1.6 billion for Army military construction in Title XXI, which is \$325 million less than the President’s budget request; and \$534.7 million for Army family housing, which is at the President’s budget request.
- The bill authorizes appropriations of \$1.7 billion for Navy military construction in Title XXII, which is \$54 million less than the President’s budget request; and \$480.4 million for Navy family housing, which is at the President’s budget request.
- The bill authorizes appropriations of \$355.2 million for Air Force military construction, which is \$66 million less than the President’s budget request; and \$581.7 million for Air Force family housing, which is at the President’s budget request.

- The bill authorizes appropriations of \$3.4 billion for defense agency military construction, which is \$220 million less than the President’s budget request; as well as \$150 million for energy conservation projects, \$151 million for chemical demilitarization construction, and \$54 million for defense agency family housing, all of which are equal to the President’s budget request.
- Section 2601 authorizes appropriations of \$1 billion for military construction for Guard and Reserve components, which is equal to the President’s budget request.
- Section 2208 extends the prohibition on the use of funds to implement the realignment of Marines from Okinawa to Guam and other locations until more information, including a master plan of costs and schedule, is provided to Congress. In report language, the Committee directed the Comptroller General to assess the costs of the revised plan issued in a joint statement of the United States and Japan on April 27 of this year.
- By a vote of 13-12 in committee, Section 2823 of the bill was included to prohibit the construction of a biofuels refinery or any other infrastructure used to refine biofuels unless the project is specifically authorized by law.

Division C – Department of Energy National Security Authorizations and Other Authorizations

Title XXXI – Department of Energy National Security Programs

- This title authorizes appropriations for atomic energy defense activities of the Department of Energy for fiscal year 2013 in accordance with the table outlined in Section 4601 in the amount of \$17.3 billion, which is \$431 million less than the President’s budget request. Of this amount:
 - \$11.5 billion is authorized for the NNSA, of which:
 - \$7.6 billion is for weapons activities, which is \$25 million more than the amount of the budget request;
 - \$2.5 billion is for defense nuclear nonproliferation activities, which is the amount of the budget request;
 - \$1.1 billion is for naval reactors, which is \$38 million more than the request, and
 - \$386.3 million is for the Office of the Administrator, which is \$25 million less than the amount of the budget request.
 - \$5 billion is authorized for defense environmental cleanup activities, which is \$463 million less than the budget request.
 - \$828.7 million is authorized for other defense activities, which is the amount of the budget request.

- Of the \$7.6 billion for weapons activities, according to report language:
 - \$2.1 billion is for directed stockpile work, which is \$45 million more than the budget request.
 - Directed stockpile work involves the day-to-day maintenance, research, development, and engineering of weapons in the stockpile.
 - \$1.7 billion is for campaigns, which is equal to the budget request.
 - This work focuses on science and engineering efforts at the three nuclear weapons laboratories, the Nevada test site, and the weapons production plants. It includes the Department of Energy’s work to certify annually that the stockpile remains safe, secure, and reliable without nuclear weapons testing.
 - \$2.2 billion is for readiness in the technical base and facilities, which is equal to the budget request.
 - This account funds facilities and infrastructure in the nuclear weapons complex and includes construction funding for new facilities.
 - \$219.4 million is for the secure transportation asset, which is responsible for the transportation of nuclear weapons, weapons materials, and components, and of other materials requiring safe and secure transport.
 - \$247.6 million is for nuclear counterterrorism incident response.
 - \$88.3 million is for site stewardship.
 - \$643.3 million is for safeguards and security.
- The committee recommended \$2.5 billion for the Defense Nuclear Nonproliferation program, which is equal to the budget request, and, of which:
 - \$548.2 million is for nonproliferation and verification research and development,
 - \$150.1 million is for nonproliferation and international security,
 - \$311 million is for international nuclear materials protection and cooperation,
 - \$921.3 million is for fissile materials disposition, and
 - \$466 million for the global threat reduction initiative.
- Despite certifying to the Senate as part of New START ratification that he would accelerate work on a Chemistry and Metallurgy Research Replacement building at Los Alamos, President Obama proposed in his fiscal year 2013 budget request to [defer](#) construction on the building “for at least five years.” Noting in report language that “a deferral ‘for at least 5 years’ appears to be a cancellation,” section 3111 of the bill requires the construction of the building to commence operations by the end of 2024 and limits the cost to \$3.7 billion.

Administration Position

A Statement of Administration Policy was not available at the time of publication.

Cost

CBO published its cost estimate of the bill on June 29, 2012. It assessed that S. 3254 would authorize appropriations totaling \$634 billion for fiscal year 2013, of which \$545 billion would be for the base budget. It further assessed that the decline in authorized appropriations,

compared to fiscal year 2012, for military personnel, procurement, military construction, and research and development would be “largely offset” by an increase in authorizations for operations and maintenance.

Possible Amendments

As of the publication of this notice, there is no unanimous consent agreement limiting the submission of amendments.