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A Shift in the International Security Environment: Potential Implications for Defense—Issues for Congress

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Summary

World events since late 2013 have led some observers to conclude that the international security environment is undergoing a shift from the familiar post-Cold War era of the last 20-25 years, also sometimes known as the unipolar moment (with the United States as the unipolar power), to a new and different strategic situation that features, among other things, renewed great power competition and challenges to elements of the U.S.-led international order that has operated since World War II.

A shift in the international security environment could have significant implications for U.S. defense plans and programs. A previous shift in the international security environment—from the Cold War to the post-Cold War era—prompted a broad reassessment by the Department of Defense (DOD) and Congress of defense funding levels, strategy, and missions that led to numerous changes in DOD plans and programs.

A new shift in the international security environment could similarly have a number of implications for U.S. defense plans and programs. Of perhaps the greatest potential significance, such a shift could lead to a change in the current overall terms of debate over U.S. defense plans and programs. Russia's seizure and annexation of Crimea, as well as subsequent Russian actions in eastern Ukraine and elsewhere in Eastern Europe, have already led to a renewed focus among policymakers on U.S. and NATO military capabilities in Europe, and on how to counter Russia's so-called "ambiguous warfare" tactics. China's actions in the East and South China Seas have prompted a focus among policymakers on how to counter China's so-called "salami-slicing" tactics in those areas. A shift in the international security environment may also be generating implications for areas such as nuclear weapons, submarines and antisubmarine warfare, and DOD reliance on Russian-made components.

Policy and oversight issues for Congress include the following:

- **Shift in strategic situations.** Has there been a shift in the international security environment, and if so, what features characterize the new environment?
- **Reassessment of U.S. defense funding levels, strategy, and missions.** Should there be a reassessment of U.S. defense funding levels, strategy, and missions?
- **Congressional role in reassessment.** If there is to be such a reassessment, how should it be done, and what role should Congress play?
- **Potential effect on plans and programs.** How might such a reassessment affect the current terms of debate on U.S. defense? What might be the potential implications for U.S. defense plans and programs?

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World events since late 2013 have led some observers to conclude that the international security environment is undergoing a shift from the familiar post-Cold War era of the last 20-25 years to a new and different strategic situation that features, among other things, renewed great power competition and challenges to elements of the U.S.-led international order that has operated since World War II.[1]

A shift in the international security environment could have significant implications for U.S. defense plans and programs. A previous shift in the international security environment—from the Cold War to the post-Cold War era—prompted a broad reassessment by the Department of Defense (DOD) and Congress of defense funding levels, strategy, and missions that led to numerous changes in DOD plans and programs.

The issue for Congress is whether a shift in the international security environment has occurred, and if so, how to respond to that shift. This report briefly describes the shift in the international security environment that some observers believe has occurred, and identifies some defense-related issues for Congress that could arise from it. Congress's decisions on these issues could have significant implications for U.S. defense capabilities and funding requirements.

This report focuses on defense-related issues and does not discuss potential implications of a shift in the international security environment for other policy areas, such as foreign policy and diplomacy, trade and finance, energy, and foreign assistance. Future CRS reports may address the potential implications of a shift in the international security environment for these other policy areas or address the U.S. role in the international security environment from other analytical perspectives.

Background

Shift in International Security Environment

Overview

World events since late 2013—including Chinese actions in the East and South China Seas since November 2013[2] and Russia's seizure and annexation of Crimea in March 2014[3]—have led some

[1] The term international order generally means the combination of laws, rules, norms, and supporting institutions that shapes and helps govern international politics and economics. The U.S.-led international order established at the end of World War II, also known as the liberal international order, can be characterized as one that features, among other things, a reliance on international law rather than force or coercion as the preferred means of settling international disputes, an emphasis on human rights, an open international trading system that attempts to evolve in the direction of free trade, and the treatment of the world's oceans, international airspace, outer space, and cyberspace as international commons.

[2] For discussions of these actions, see CRS Report R42784, *Maritime Territorial and Exclusive Economic Zone (EEZ) Disputes Involving China: Issues for Congress*, by Ronald O'Rourke, and CRS Report R42930, *Maritime Territorial Disputes in East Asia: Issues for Congress*, by Ben Dolven, Mark E. Manyin, and Shirley A. Kan.

observers to conclude that the international security environment is undergoing a shift from the familiar post-Cold War era of the last 20-25 years, also known as the unipolar moment (with the United States as the unipolar power), to a new and different strategic situation that features, among other things, renewed great power competition and challenges to elements of the U.S.-led international order that has operated since World War II.[4]

In August 2014, outgoing Secretary of Defense Chuck Hagel referred to "the dangerous unpredictability of a world that is I think trying to define a new world order.... We are seeing a new world order being built in the early 21st Century."[5] In October 2014, Hagel stated: "I think we are living through one of these historic, defining times.... We are seeing a new world order—post-World War II, post-Soviet implosion—being built."[6]

Cold War Era

The Cold War, which is generally viewed as lasting from the late 1940s until the late 1980s/early 1990s, was generally viewed as a strongly bipolar situation featuring two superpowers—the United States and the Soviet Union—engaged in a political, ideological, and military competition for influence across multiple regions. The military component of that competition was often most

(...continued)

[3] For discussion Russia's seizure and annexation of Crimea, see CRS Report RL33460, *Ukraine: Current Issues and U.S. Policy*, by Steven Woehrel.

[4] See, for example, Walter Russell Mead, "The End of History Ends," *The American Interest*, December 2, 2013; Paul David Miller, "Crimea Proves That Great Power Rivalry Never Left Us," *Foreign Policy*, March 21, 2014; Walter Russell Mead, "The Return of Geopolitics," *Foreign Affairs*, May/June 2014; Robert Kagan, "Superpowers Don't Get to Retire," *New Republic*, May 26, 2014; James Kitfield, "The New Great Power Triangle Tilt: China, Russia Vs. U.S.," *Breaking Defense*, June 19, 2014; Lilia Shevtsova, "Putin Ends the Interregnum," *The American Interest*, August 28, 2014; David E. Sanger, "Commitments on Three Fronts Test Obama's Foreign Policy," *New York Times*, September 3, 2014; Steven Erlanger, "NATO's Hopes for Russia Have Turned to Dismay," *New York Times*, September 12, 2014; Richard N. Haass, "The Era of Disorder," *Project Syndicate*, October 27, 2014; Bruce Jones, "What Stretgic Environment does the Transatlantic Community Confront?" German Marshall Fund of the United States, Policy Brief, January 15, 2015, 5 pp.; Garry Kasparov, "The Global War on Modernity," *Wall Street Journal*, January 20, 2015; Chester A Crocker, "The Strategic Dilemma of a World Adrift," *Survival*, February-March 2015: 7-30; Robert Kagan, "The United States Must Resist A Return to Spheres of Interest in in the International System," Brookings Institution, February 19, 2015; Richard Fontaine, "Salvaging Global Order," *The National Interest*, March 10, 2015; Philip Stephens, "Why the Business of Risk Is Booming," *Financial Times*, March 12, 2015.

[5] As quoted in Chris Uhlmann, "US Secretary of Defense Says 'New World Order Being Built,'" *Australian Broadcasting Corporation*, August 11, 2014.

[6] As quoted in David A. Graham, "Defense Secretary Chuck Hagel: Get Used to Endless War," *The Atlantic*, October 29, 2014. In September 2014, Deputy Secretary of Defense Robert Work stated:

> I think there's two things happening, both with Russia and China. First, they clearly are staking out their position in their near abroads. And this is one of the things that we're going to have to work out over the course of the next several years on what they consider to be areas of their vital interest, and what we have to do is find a means by which to make sure that those desires do not resort to the use of force and would require an overt response militarily from us. We have to work these out and make sure that Russia and China feel secure in their near abroads. But both of those countries definitely believe that the current world order, as established over the last 70 years, they would like to change certain aspects of it. So that's going to be a constant point of attention. So at the strategic level, it is, how are we going to work with two very strong powers, regional powers right now? And how will we be able to work out ways in which we engage with each other over time?
>
> (Department of Defense news transcript, "Deputy Secretary of Defense Work Delivers Remarks at the Council on Foreign Relations," September 30, 2014, accessed October 31, 2014, at http://www.defense.gov/Transcripts/Transcript.aspx?TranscriptID=5509.)

acutely visible in Europe, where the U.S.-led NATO alliance and the Soviet-led Warsaw Pact alliance faced off against one another with large numbers of conventional forces and theater nuclear weapons, backed by longer-ranged strategic nuclear weapons.

Post-Cold War Era

The post-Cold War era, which is generally viewed as having begun in the early 1990s, tended toward a unipolar situation, with the United States as the world's sole superpower. The Warsaw Pact had disbanded, the Soviet Union had dissolved into Russia and the former Soviet republics, and neither Russia, China, nor any other country was viewed as posing a significant challenge to either the United States' status as the world's sole superpower or the U.S.-led international order. Compared to the Cold War, the post-Cold War era generally featured reduced levels of overt political, ideological, and military competition among major states. Following 9/11, the post-Cold War era was additionally characterized by a strong focus (at least from a U.S. perspective) on countering transnational terrorist organizations that had emerged as significant non-state actors, particularly Al Qaeda.

The New Situation

Some Emerging Features

Observers who conclude that the international security environment has shifted to a new strategic situation generally view the new period not as a bipolar situation (like the Cold War) or a unipolar situation (like the post-Cold War era), but as a multipolar situation characterized by renewed competition among three major world powers—the United States, China, and Russia. Other emerging characteristics of the new international security situation as viewed by these observers include the following:

- renewed ideological competition, this time against 21st-century forms of authoritarianism in Russia, China, and other countries;[7]
- the promotion in China and Russia through their state-controlled media of nationalistic historical narratives emphasizing assertions of prior humiliation or

[7] See, for example, Anne Applebaum, "Russia's Anti-Western Ideology Has Global Consequences," *Washington Post*, March 28, 2014; Paula J. Dobriansky, "U.S. Needs A Strong Moral Narrative To Combat Putin," *Washington Post*, May 23, 2014; Christopher Walker, "Authoritarian Regimes Are Changing How The World Defines Democracy," *Washington Post*, June 13, 2014; Lilia Shevtsova, "Crowning a Winner in the Post-Crimea World," *The American Interest*, June 16, 2014; Timothy Garton Ash, "Putin's Deadly Doctrine," *New York Times*, July 18, 2014; Fareed Zakaria, "The Rise of Putinism," *Washington Post*, July 31, 2014; David Brooks, "The Battle of the Regimes," *New York Times*, August 4, 2014; Robert Tracinski, "Putinism and the 'Battle of Regimes,'" *The Federalist*, August 14, 2014; Anders Fogh Rasmussen, "The Dual Threats to Western Values," *Wall Street Journal*, September 15, 2014; Jeremy Page, "Why Russia's President Is 'Putin the Great' in China," *New York Times*, October 1, 2014; Yigal Schleifer, "Hungary At The Turning Point," *Slate*, October 3, 2014; Margit Feher, "Prompted by U.S. Comments, Hungary Insists It respects Democracy," *Wall Street Journal*, October 3, 2014; Krizstina Than, "U.S. Diplomat Criticizes PM Orban's Russia Policies," *Reuters*, October 24, 2014; Zoran Radosavljevik and Krizstina Than, "Washington Tries To Check Hungary's Drift Into Kremlin Orbit," *Reuters*, November 1, 2014; Gideon Rachman, "The West Has Lost Intellectual Self-Confidence," *Financial Times*, January 5, 2015; Garry Kasparov, "The Global War on Modernity," *Wall Street Journal*, January 20, 2015; Anna Borshchevskaya, "Moral Clarity Is Needed In Countering Anti-Western Propaganda," *Forbes*, March 14, 2015.

victimization by Western powers, and the use of those narratives to support revanchist or irredentist foreign policy aims;

- the use by Russia and China of new forms of aggressive or assertive military and paramilitary operations—called ambiguous warfare, among other terms, in the case of Russia's actions, and called salami-slicing tactics or gray-zone warfare, among other terms, in the case of China's actions—to gain greater degrees of control of areas on their peripheries;
- challenges by Russia and China to key elements of the U.S.-led international order, including the principle that force or threat of force should not be used as a routine or first-resort measure for settling disputes between countries, and the principle that the world's oceans are to be treated as an international commons; and
- alongside the above features, continued regional security challenges from countries such as Iran and North Korea, and a continuation of the post-Cold War era's focus (at least from a U.S. perspective) on countering transnational terrorist organizations that have emerged as significant non-state actors (now including the Islamic State organization, among other groups).

The Obama Administration's February 2015 National Security Strategy document states:

> Around the world, there are historic transitions underway that will unfold over decades.... Five recent transitions, in particular, have significantly changed the security landscape, including since our last strategy in 2010.
>
> First, power among states is more dynamic.... Shifting power dynamics create both opportunities and risks for cooperation, as some states have been more willing than others to assume responsibilities commensurate with their greater economic capacity. In particular, India's potential, China's rise, and Russia's aggression all significantly impact the future of major power relations.
>
> Second, power is shifting below and beyond the nation-state.... While largely positive, these trends can foster violent non-state actors and foment instability—especially in fragile states where governance is weak or has broken down—or invite backlash by authoritarian regimes determined to preserve the power of the state.
>
> Third, the increasing interdependence of the global economy and rapid pace of technological change are linking individuals, groups, and governments in unprecedented ways. This enables and incentivizes new forms of cooperation to establish dynamic security networks, expand international trade and investment, and transform global communications. It also creates shared vulnerabilities, as interconnected systems and sectors are susceptible to the threats of climate change, malicious cyber activity, pandemic diseases, and transnational terrorism and crime.
>
> Fourth, a struggle for power is underway among and within many states of the Middle East and North Africa....
>
> Fifth, the global energy market has changed dramatically. The United States is now the world's largest natural gas and oil producer.... On the other hand, energy security concerns

have been exacerbated by European dependence on Russian natural gas and the willingness of Russia to use energy for political ends.[8]

Markers of the Shift to the New Situation

For observers who conclude that the international security environment has shifted to a new strategic situation, the sharpest single marker of the shift arguably was Russia's seizure and annexation of Crimea in March 2014, which represented the first forcible seizure and annexation of one country's territory by another country in Europe since World War II. Other markers of the shift, such as Russia's actions in eastern Ukraine and elsewhere in Eastern Europe since March 2014, China's economic growth and military modernization over the last several years, and China's actions in the East and South China Seas over the last several years, have been more gradual and cumulative.

Some observers trace the beginnings of the argued shift in strategic situations back to 2008. In that year, Russia invaded and occupied part of the former Soviet republic of Georgia without provoking a strong cost-imposing response from the United States and its allies. Also in that year, the financial crisis and resulting deep recessions in the United States and Europe, combined with China's ability to weather that crisis and its successful staging of the 2008 Summer Olympics, are seen by observers as having contributed to a perception in China of the United States as a declining power, and to a Chinese sense of self-confidence or triumphalism.[9] China's assertive actions in the East and South China Seas can be viewed as having begun (or accelerated) soon thereafter.[10]

Comparisons to Earlier Periods

Each strategic situation features a unique combination of major actors, dimensions of competition and cooperation among those actors, and military and other technologies available to them. A new strategic situation can have some similarities to previous ones, but it will also have differences, including, potentially, one or more features not present in any previous strategic situation. In the early years of a new strategic situation, some of its features may be unclear, in dispute, or not yet apparent. In attempting to understand a new strategic situation, comparisons to earlier ones are potentially helpful in identifying avenues of investigation. If applied too rigidly, however, such comparisons can act as intellectual straightjackets, making it more difficult to achieve a full understanding of a new strategic situation's characteristic features, particularly those that differentiate it from previous ones.

Some observers have stated that the world is entering a new Cold War. That term may have some utility in referring specifically to U.S.-Russian relations, because the new strategic situation that some observers have identified features competition and tension with Russia. Considered more broadly, however, the Cold War was a bipolar situation, while the new environment appears to be a multipolar situation that also includes China as a major competing power. The bipolarity of the Cold War, moreover, was reinforced by the opposing NATO and Warsaw Pact alliances, whereas

[8] *National Security Strategy*, February 2015, pp. 4-5.

[9] See, for example, Howard W. French, "China's Dangerous Game," *The Atlantic*, October 13, 2014.

[10] Some observers trace the roots of the end of the post-Cold War era further, to years prior to 2008; see, for example, Walter Russell Mead, "Who's to Blame for a World in Flames?" *The American Interest*, October 6, 2014.

in contrast, Russia today does not lead an equivalent of the Warsaw Pact. And while terrorists were a concern during the Cold War, the U.S. focus on countering transnational terrorist groups was not nearly as significant during the Cold War as it has been since 9/11.

Other observers, viewing the emerging multipolar situation, have drawn comparisons to the multipolar situation that existed in the 19th century and the years prior to World War I. Still others, observing both multipolarity and the promotion in China and Russia of nationalistic historical narratives supporting revanchist or irredentist foreign policy aims, have drawn comparisons to the 1930s. Those two earlier situations, however, did not feature a strong focus on countering globally significant transnational terrorist groups, and the military and other technologies available then differ vastly from those available today. The new strategic situation that some observers have identified may be similar in some respects to previous strategic situations, but it also differs from previous situations in certain respects, and might be best understood by direct observation and identification of its key features.

Renewed Emphasis on Grand Strategy and Geopolitics

The discussion of the shift in the international security environment that some observers have identified has led to a renewed emphasis in discussions of U.S. security and foreign policy on grand strategy and geopolitics.[11] From a U.S. perspective, grand strategy can be understood as strategy considered at a global or interregional level, as opposed to strategies for specific countries, regions, or issues. Geopolitics refers to the influence on international relations and strategy of basic world geographic features such as the size and location of continents, oceans, and individual countries.

From a U.S. perspective on grand strategy and geopolitics, it can be noted that most of the world's people, resources, and economic activity are located not in the Western Hemisphere, but in the other hemisphere, particularly Eurasia. In response to this basic feature of world geography, U.S. policymakers for the last several decades have chosen to pursue, as a key element of U.S. national strategy, a goal of preventing the emergence of a regional hegemon in one part of Eurasia or another, on the grounds that such a hegemon could represent a concentration of power strong enough to threaten core U.S. interests by, for example, denying the United States access to some of the other hemisphere's resources and economic activity. Although U.S. policymakers have not often stated this key national strategic goal explicitly in public, U.S. military (and diplomatic)

[11] See, for example, William C. Martel, "Why America Needs a Grand Strategy," *The Diplomat*, June 18, 2012; Aaron David Miller, "The Naiveté of Distance," *Foreign Policy*, March 31, 2014; Robert Kaplan, "The Gift of American Power," *Real Clear World*, May 15, 2014; William C. Martel, "America's Grand Strategy Disaster," *The National Interest*, June 9, 2014; Adam Garfinkle, "The Silent Death of American Grand Strategy," *American Review*, 2014; Christopher A. Ford, "Ending the Strategic Holiday: U.S. Grand Strategy and a 'Rising' China," *Asia Policy*, Number 18 (July 2014): 181-189; William Ruger, "A Realist's Guide to Grand Strategy," *The American Conservative*, August 26, 2014; Barry R. Posen, *Restraint: A New Foundation for U.S. Grand Strategy*, Cornell University Press, 2014, 256 pp. (Cornell Studies in Security Affairs); R. D. Hooker, *The Grand Strategy of the United States*, Washington, National Defense University Press, October 2014, 35 pp. (INSS Strategic Monograph, Institute for National Strategic Studies); F.G. Hoffman, "Grand Strategy: The Fundamental Considerations," *Orbis*, Volume 58, Issue 4 (Fall 2014), 2014: 472–485; Michael Page, "Is 'Restraint' a Realistic Grand Strategy?" *Cicero Magazine*, October 21, 2014; Bryan McGrath, "Unconstrained Grand Strategy," *War on the Rocks* October 28, 2014; Joseph Sarkisian, "American Grand Strategy or Grand Illusion?" *Cicero*, December 1, 2014; Chris Miller, "State of Disunion: America's Lack of Strategy is its Own Greatest Threat, *Cicero*, January 27, 2015; Jerry Hendrix, *Avoiding Trivia: A Strategy for Sustainment and Fiscal Responsibility*, Center for a New American Security, February 2015, 36 pp.; Jim Mattis, "A New American Grand Strategy," Hoover Institution, February 26, 2015.

operations in recent decades—both wartime operations and day-to-day operations—can be viewed as having been carried out in no small part in support of this key goal.

The U.S. goal of preventing the emergence of a regional hegemon in one part of Eurasia or another is a major reason why the U.S. military is structured with force elements that enable it to cross broad expanses of ocean and air space and then conduct sustained, large-scale military operations upon arrival. Force elements associated with this goal include, among other things, an Air Force with significant numbers of long-range bombers, long-range surveillance aircraft, long-range airlift aircraft, and aerial refueling tankers, and a Navy with significant numbers of aircraft carriers, nuclear-powered attack submarines, large surface combatants, large amphibious ships, and underway replenishment ships.

Congressional Participation in Reassessment of U.S. Defense During Previous Shift

A previous shift in the international security environment—from the Cold War to the post-Cold War era—prompted a broad reassessment of defense funding levels, strategy, and missions that led to numerous changes in DOD plans and programs. Many of these changes were articulated in the 1993 Bottom-Up Review (BUR),[12] a reassessment of U.S. defense plans and programs whose very name conveyed the fundamental nature of the reassessment that had occurred.[13] In general, the BUR reshaped the U.S. military into a force that was smaller than the Cold War U.S. military, and oriented toward a planning scenario being able to conduct two major regional contingencies (MRCs) rather than the Cold War planning scenario of a NATO-Warsaw Pact conflict.[14]

Through both committee activities and the efforts of individual Members, Congress played a significant role in the reassessment of defense funding levels, strategy, and missions that was prompted by the end of the Cold War. In terms of committee activities, the question of how to change U.S. defense plans and programs in response to the end of the Cold War was, for example, a major focus for the House and Senate Armed Services Committees in holding hearings and marking up annual national defense authorization acts in the early 1990s.[15]

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[12] See Department of Defense, *Report on the Bottom-Up Review*, Les Aspin, Secretary of Defense, October 1993, 109 pp.

[13] Secretary of Defense Les Aspin's introduction to DOD's report on the 1993 BUR states:

> In March 1993, I initiated a comprehensive review of the nation's defense strategy, force structure, modernization, infrastructure, and foundations. I felt that a department-wide review needed to be conducted "from the bottom up" because of the dramatic changes that have occurred in the world as a result of the end of the Cold War and the dissolution of the Soviet Union. These changes in the international security environment have fundamentally altered America's security needs. Thus, the underlying premise of the Bottom-Up Review was that we needed to reassess all of our defense concepts, plans, and programs from the ground up.
>
> (Department of Defense, *Report on the Bottom-Up Review*, Les Aspin, Secretary of Defense, October 1993, p. iii.)

[14] For additional discussion of the results of the BUR, see CRS Report 93-839 F, *Defense Department Bottom-Up Review: Results and Issues*, October 6, 1993, 6 pp., by Edward F. Bruner, and CRS Report 93-627 F, *Defense Department Bottom-Up Review: The Process*, July 2, 1993, 9 pp., by Cedric W. Tarr, Jr. [both nondistributable and available from the author of this report].

[15] See, for example:

- the House Armed Services Committee's report on the FY1991 National Defense Authorization Act (H.Rept.

(continued...)

In terms of efforts by individual Members, some Members put forth their own proposals for how much to reduce defense spending from the levels of the final years of the Cold War,[16] while others put forth detailed proposals for future U.S. defense strategy, plans, programs, and spending. Senator John McCain, for example, issued a detailed, 32-page policy paper in November 1991 presenting his proposals for defense spending, missions, force structure, and weapon acquisition programs.[17]

Perhaps the most extensive individual effort by a Member to participate in the reassessment of U.S. defense following the end of the Cold War was the one carried out by Representative Les Aspin, the chairman of the House Armed Services Committee. In early 1992, Aspin, supported by members of the committee's staff, devised a force-sizing construct and potential force levels and associated defense spending levels U.S. defense for the new post-Cold War era. A principal aim of Aspin's effort was to create an alternative to the "Base Force" plan for U.S. defense in the post-Cold War era that had been developed by the George H. W. Bush Administration.[18] Aspin's effort included a series of policy papers in January and February 1992[19] that were augmented by press

(...continued)

101-665 of August 3, 1990, on H.R. 4739), pp. 7-14;

- the Senate Armed Services Committee's report on the FY1991 National Defense Authorization Act (S.Rept. 101-384 of July 20 (legislative day, July 10), 1990, on S. 2884), pp. 8-36;
- the House Armed Services Committee's report on the FY1992 and FY1993 National Defense Authorization Act (H.Rept. 102-60 of May 13, 1991, on H.R. 2100), pp. 8 and 13;
- the Senate Armed Services Committee's report on the FY1992 and FY1993 National Defense Authorization Act (S.Rept. 102-113 of July 19 (legislative day, July 8), 1991, on S. 1507), pp. 8-9;
- the House Armed Services Committee's report on the FY1993 National Defense Authorization Act (H.Rept. 102-527 of May 19, 1992, on H.R. 5006), pp. 8-10, 14-15, and 22;
- the Senate Armed Services Committee's report on the FY1993 National Defense Authorization Act (S.Rept. 102-352 of July 31 (legislative day, July 23), 1992, on S. 3114), pp. 7-12;
- the House Armed Services Committee's report on the FY1994 National Defense Authorization Act (H.Rept. 103-200 of July 30, 1993, on H.R. 2401), pp. 8-9 and 18-19;
- the House Armed Services Committee's report on the FY1995 National Defense Authorization Act (H.Rept. 103-499 of May 10, 1994, on H.R. 4301), pp. 7 and 9;
- the Senate Armed Services Committee's report on the FY1995 National Defense Authorization Act (S.Rept. 103-282 of June 14 (legislative day, June 7), 1994, on S. 2182), pp. 8-9; and
- the House Armed Services Committee's report on the FY1996 National Defense Authorization Act (H.Rept. 104-131 of June 1, 1995, on H.R. 1530), pp. 6-7 and 11-12.

[16] See, for example, Clifford Krauss, "New Proposal for Military Cut," *New York Times*, January 7, 1992: A11 [discussing a proposal by Senator Phil Gramm for reducing defense spending by a certain amount]; "Sen. Mitchell Proposes $100 Billion Cut in Defense," *Aerospace Daily*, January 17, 1992: 87; John Lancaster, "Nunn Proposes 5-Year Defense Cut of $85 Billion," *Washington Post*, March 25, 1992: A4.

[17] Senator John McCain, Matching A Peace Dividend With National Security, A New Strategy For The 1990s, November 1991, 32 pp.

[18] See, for example, "Arms Panel Chief Challenges Ending Use of Threat Analysis," *Aviation Week & Space Technology*, January 13, 1992: 28; Patrick E. Tyler, "Top Congressman Seeks Deeper Cuts in Military Budget," *New York Times*, February 23, 1991: 1; Barton Gellman, "Debate on Military's Future Crystallizes Around 'Enemies List,'" *Washington Post*, February 26, 1992: A20; Pat Towell, "Planning the Nation's Defense," *CQ*, February 29, 1992: 479. For more on the Base Force, see CRS Report 92-493 S, *National Military Strategy, The DoD Base Force, and U.S. Unified Command Plan*, June 11, 1992, 68 pp., by John M. Collins [nondistributable and available from the authors of this report].

[19] These policy papers included the following:

- National Security in the 1990s: Defining a New Basis for U.S. Military Forces, Rep. Les Aspin, Chairman,

(continued...)

releases and speeches. Aspin's policy paper of February 25, 1992, served as the basis for his testimony that same day at a hearing on future defense spending before the House Budget Committee. Although DOD and some other observers (including some Members of Congress) criticized Aspin's analysis and proposals on various grounds,[20] the effort arguably proved consequential the following year, when Aspin became Secretary of Defense in the new Clinton Administration. Aspin's 1992 effort helped inform his participation in DOD's 1993 BUR. The 1993 BUR in turn created a precedent for the Quadrennial Defense Review (QDR) process that remains in place today.

Potential or Emerging Implications for Defense

The shift in strategic situations that some observers have identified could have a number of implications for U.S. defense plans and programs, including those discussed briefly below.

Terms of Debate over U.S. Defense

Of perhaps the greatest potential significance, a shift from the post-Cold War era to a new strategic situation could lead to a change in the current overall terms of debate over U.S. defense plans and programs. The current terms of debate are shaped by things such as the limits on defense spending established under the Budget Control Act (BCA) of 2011 (S. 365/P.L. 112-25 of August 2, 2011) as amended, the defense strategic guidance document of January 2012,[21] and the 2014 Quadrennial Defense Review.[22] If the current terms of debate largely reflect the features of the post-Cold War era, they may not be responsive to features of the new strategic situation that some observers have identified.[23]

Some observers, citing recent world events, have raised the question of whether defense spending should be increased above levels set forth in the BCA, and consequently whether the BCA should be amended or repealed.[24] If policymakers judge that a shift in strategic situations of the kind

(...continued)

House Armed Services Committee, Before the Atlantic Council of the United States, January 6, 1992, 23 pp.;

- An Approach to Sizing American Conventional Forces For the Post-Soviet Era, Rep. Les Aspin, Chairman, House Armed Services Committee, January 24, 2991, 20 pp.;
- Tomorrow's Defense From Today's Industrial Base: Finding the Right Resource Strategy For A New Era, by Rep. Les Aspin, Chairman, House Armed Services Committee, Before the American Defense Preparedness Association, February 12, 1992, 20 pp.; and
- An Approach to Sizing American Conventional Forces For the Post-Soviet Era, Four Illustrative Options, Rep. Les Aspin, Chairman, House Armed Services Committee, February 25, 1992, 27 pp.

[20] See, for example, "Aspin Defense Budget Plans Rebuffed By Committee," *Defense Daily*, February 24, 1992: 289; "Pentagon Spurns Aspin's Budget Cuts as 'Political,'" *Washington Post*, February 28, 1992: A14.

[21] Department of Defense, *Sustaining U.S. Global Leadership: Priorities for 21st Century Defense*, January 2012, 8 pp. For additional discussion, see CRS Report R42146, *Assessing the January 2012 Defense Strategic Guidance (DSG): In Brief*, by Catherine Dale and Pat Towell.

[22] Department of Defense, *Quadrennial Defense Review 2014*, 64 pp. For additional discussion, see CRS Report R43403, *The 2014 Quadrennial Defense Review (QDR) and Defense Strategy: Issues for Congress*, by Catherine Dale.

[23] See, for example, David Barno and Nora Bensahel, "Addressing Tomorrow's Challenges With Yesterday's Budget," *War on the Rocks*, February 10, 2015; John Grady, "Think Tank Panel Tells House U,.S. Military Faces More Challenges, Suggests Pentagon Spending Reforms," *USNI News*, February 11, 2015.

[24] See, for example, John T. Bennett, "Could Global Threat Picture Restore US Defense Increases?" *Defense News*, (continued...)

discussed here is occurring, the nature of the U.S. response to that shift could lead to defense spending levels that are higher than, lower than, or about the same as those in the BCA.

U.S. and NATO Military Capabilities in Europe

Russia's seizure and annexation of Ukraine and Russia's subsequent actions in eastern Ukraine and elsewhere in Eastern Europe have led to a renewed focus among policymakers on U.S. and NATO military capabilities in Europe.[25] In July 2014, the Administration, as part of its FY2015 funding request for the Overseas Contingency Operations (OCO) part of DOD's budget, requested $1 billion for a European Reassurance Initiative, of which $925 million would be for DOD to carry out several force deployments and operations in Europe.[26] At the September 4-5, 2014, NATO summit in Wales, NATO leaders announced a series of initiatives for refocusing NATO away from "out of area" (i.e., beyond-Europe) operations, and back toward a focus on territorial defense and deterrence in Europe itself.[27] Officials in NATO countries are also considering whether to increase defense spending. In December 2014, Russia issued a new military doctrine that, among other things, calls for a more assertive approach toward NATO.[28]

The increased attention that U.S. policymakers are paying to the security situation in Europe, combined with U.S. military operations in the Middle East against the Islamic State organization and similar groups, has intensified preexisting questions among some observers about whether the United States will be able to fully implement the military component of the U.S. strategic

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August 31, 2014; Charles Lane, "The U.S. Needs To Get Serious About Defense Spending," *Washington Post*, September 3, 2014; Robert J. Samuelson, "America's Neglected Defense," *Washington Post*, September 7, 2014; Michele Flournoy and Eric Edelman, "Cuts To Defense Spending Are Hurting Our National Security," *Washington Post*, September 19, 2014; Mackenzie Eaglen, "GOP, Dems Must Rebuild Military Readiness," *Breaking Defense*, September 26, 2014; Ron Haskins and Michael O'Hanlon, "Commentary: Stop Sequestering Defense," *Defense News*, October 13, 2014; Merrill D'Arezzo, "Experts Call For National Debate On U.S. Military Priorities," *Military Times*, October 23, 2104; Martin Matishak and Rebecca Shabad, "Defense Hopes For Sequester Relief," *The Hill*, October 26, 2014; James Jay Carafano, "Is America's Defense Budget Too Small?" *The National Interest*, October 31, 2014.

[25] See, for example, Richard Sisk, "US Army Plans to Send Abrams Tanks and Bradleys to Eastern Europe," *Military.com*, December 1, 2014; Michael R. Gordon, "Nimble New NATO Force to Take Form Next Year," *New York Times*, December 2, 2014; Oriana Pawlyk, "U.S. Lawmakers Want Aircraft in Europe Until Russia Backs Down," *Military Times*, December 4, 2014; Mike Collier and Vaidotas Beniusis, "Baltics Up Defense Spending As Russia Buzzes Borders," *Defense News*, December 13, 2014; Oriana Pawlyk, "Air Force To Increase Op Tempo in Europe in 2015," *Military Times*, December 18, 20914; Bill Sweetman, "Changing Times; European Nations Prepare for Disrupted Peace," *Aviation Week & Space Technology*, December 29, 2014-January 14, 2015: 57; John-Thor Dahlburg, "NATO's Priority in 2015: Setting Up Reaction Force in Europe," *Stars and Stripes*, January 6, 2015; Kristina Wong, "Army Plans to Shift 3,000 Troops to Europe," *The Hill*, January 10, 2015; Wiktor Szary, "NATO Looking at Beefing Up Baltic Exercises: Top General," Reuters, January 13, 2015; David Larter, "NAVEUR: Ships Needed in 6th Fleet for High-End Training," *Navy Times*, January 13, 2015; John R. Deni, "Cutting U.S. Force Structure in Europe: A Repreive?" *War on the Rocks*, January 13, 2015; Carol J. Williams, "NATO Sends Rapid-Reaction Forces to Russia's Neighbors," *Los Angeles Times*, January 14, 2015.

[26] Prepared Statement of the Honorable Robert O. Work, Deputy Secretary of Defense, and Admiral James A. Winnefeld, Jr, USN, Vice Chairman of the Joint Chiefs of Staff, Before the House Armed Services Committee on the FY2015 Overseas Contingency Operations Budget Request for the Department of Defense, Wednesday, July 16, 2014, pp. 2, 4-5.

[27] For additional discussion, see CRS Report R43698, *NATO's Wales Summit: Outcomes and Key Challenges*, by Paul Belkin.

[28] See, for example, Jaroslaw Adamowski, "Russia Overhauls Military Doctrine," *Defense News*, January 10, 2015.

rebalancing to the Asia-Pacific region that was formally announced in the January 2012 defense strategic guidance document.

New Forms of Aggression and Assertiveness

Russia's seizure and annexation of Crimea, as well as subsequent Russian actions in eastern Ukraine and elsewhere in Eastern Europe, have already led to a renewed focus among policymakers on how to counter Russia's so-called "ambiguous warfare" tactics.[29] China's actions in the East and South China Seas have prompted a focus among policymakers on how to counter China's so-called "salami-slicing" tactics in those areas.[30]

Nuclear Weapons and Nuclear Deterrence

Russia's reassertion of its status as a major world power has included, among other things, references by Russian officials to nuclear weapons and Russia's status as a major nuclear weapon

[29] See, for example, Jackson Diehl, "Ukraine's Wake-Up Call for NATO," *Washington Post*, April 27, 2014; Peter Pomerantsev, "How Putin Is Reinventing Warfare," *Foreign Policy*, May 5, 2014; Frank Hoffman, "On Not-So-New Warfare: Political Warfare Vs. Hybrid Threats," *War on the Rocks*, July 28, 2014; Masha Gessen, "The Putin Military Doctrine," *Slate*, August 15, 2014; Peter Apps, "'Ambiguous Warfare' Providing NATO With New Challenge," *Reuters*, August 21, 2014; Paul Huard, "'Maskirovka' Is Russian Secret War," *War Is Boring*, August 25, 2014; Sam Jones, "Ukraine: Russia's New Art of War," *Financial Times*, August 28, 2014; Uri Friedman, "Russia's Slow-Motion Invasion of Ukraine, Is Russia Waging A New Form of Warfare, Or A Very Old One?" *The Atlantic*, August 29, 2014; Matthew Gault, "NATO Is Acting Like It's 1985; Old Alliance Needs New Ideas To Combat Russian Secret War," *War Is Boring*, August 30, 2014; Jakub Grygiel and A. Weiss Mitchell, "Limited War Is Back," *The National Interest*, September 1, 2014; Cathy Young, "Derangement in Moscow," *The Weekly Standard*, September 8, 2014; Peter Pomerantsev, "Russia and the Menace of Unreality," *The Atlantic*, September 9, 2015; Andrew Higgins, "Tensions Surge in Estonia Amid a Russian Replay of Cold War Tactics," *New York Times*, October 5, 2014; Joe Gould, "US Military Girds for More 'Unconventional Warfare,'" *Defense News*, October 24, 2014; Douglas Mastriano, "Defeating Putin's Strategy of Ambiguity," *War on the Rocks*, November 6, 2014; Peter Apps, "West Struggles With Russia's 'Ambiguous Warfare' Tactics," *Reuters*, November 27, 2014; Matthew Armstrong, "Russia's War in Information," *War on the Rocks*, December 15, 2014; Bill Sweetman, "Denial And Disinformation Will Shape Future Warfare," *Aviation Week & Space Technology*, December 30, 2014; Peter Pomerantsev, "The Putin Show," *Commentary*, January 1, 2015; Peter Pomerantsev, "Inside Putin's Information War," *Politico*, January 4, 2015; Tim Starks, "New House Armed Services Chairman Plans Focus on Unconventional Warfare," *Roll Call*, January 14, 2015; Edgar Buckley and Ioan Pascu, "Report Warms Russia's 'Hybrid Warfare' In Ukraine Could Inspire Others," Radio Free Europe/Radio Liberty, February 18, 2015; "NATO's Article 5 and Russian Hybrid Warfare," Atlantic Council, March 17, 2015; Agence France-Presse, "NATO Allies Brace for Russia's 'Hybrid Warfare,'" *Defense News*, March 18, 2015.

[30] Adam Entous and Julian E. Barnes, "U.S. Beefs Up Military Options for china as Obama Reassures Allies in Asia," *Wall Street Journal*, April 27, 2014; Jackson Diehl, "China's 'Creeping Invasion,'" *Washington Post*, September 14, 2014; Joe Gould, "US Military Girds for More 'Unconventional Warfare," *Defense News*, October 24, 2014; Robert Haddick, "The Struggle for a Strategy," *U.S. Naval Institute Proceedings*, January 2015: 52-57; Tim Starks, "New House Armed Services Chairman Plans Focus on Unconventional Warfare," *Roll Call*, January 14, 2015; Michael Mazza, "US in the Asia-Pacific: Toward A More Effective Asia Strategy," *American Enterprise Institute*, January 30, 2015; Andrew Erickson, et al., "China's Menacing Sandcastles in the South China Sea," *War on the Rocks*, March 2, 2015 (a collection of short writings by several authors); Richard Fontaine, "Chinese Land Reclamation Pushes Boundaries," *Wall Street Journal*, March 3, 2015; Harry J. Kazianis, "Superpower Showdown: America Can Stop Chinese Aggression in Asia," *The National Interest*, March 6, 2015; John Schaus, "Concrete Steps for the U.S. in the South China Sea," *War on the Rocks*, March 16, 2015; David Brunnstrom, "Senators Seek U.S. Strategy to Stop China's South China Sea Reclamation," *Reuters*, March 19, 2015; Colin Clark, "US Should 'Slow' Or 'Stop' China's Island Building: SASC, Foreign Relations Leaders, *Breaking Defense*, March 19, 2015.

. See also CRS Report R42784, *Maritime Territorial and Exclusive Economic Zone (EEZ) Disputes Involving China: Issues for Congress*, by Ronald O'Rourke.

power.[31] This has led to an increased emphasis in discussions of U.S. defense and security on nuclear weapons and nuclear deterrence[32]—a development that comes at a time when DOD is in the early stages of a multi-year plan to spend scores of billions of dollars to modernize U.S. strategic nuclear deterrent forces.[33] DOD, for example, currently has plans to acquire a new class of ballistic missile submarines[34] and a new long-range bomber.[35]

Submarines and Antisubmarine Warfare

The growing capabilities and operations of China's submarine fleet,[36] combined with a stated intention by Russia to rebuild its navy (including its submarine force) and renewed Russian submarine operations (including suspected Russian submarine operations in Swedish waters and near Scotland), have led to a renewed focus in discussions of U.S. defense and security on the value of the U.S. attack submarine force for preserving U.S. command of the seas on a global basis, and on U.S. and allied antisubmarine warfare (ASW) capabilities.[37] This could lead to an increased focus on the procurement of Virginia-class submarines[38] and ASW platforms and

[31] See, for example, Jeffrey Tayler, "Putin's Nuclear Option," *Foreign Policy*, September 4, 2014; Alexei Anishchuk, "Putin Warns U.S. Spay Over Ukraine Threatens Global Stability," Reuters, October 15, 2014; Adrian Croft, "UK Concerned Over 'Threatening' Russian Nuclear Strategy," *Reuters*, February 6, 2015.

[32] See, for example, Ralph Vartabedian and W.J. Hennigan, "NATO Nuclear Drawdown Now Seems Unlikely," *Los Angeles Times*, September 19, 2014; William J. Broad and David E. Sanger, "U.S. Ramping Up Major Renewal in Nuclear Arms," *New York Times*, September 21, 2014; Bill Sweetman, "Opinion: Nuclear Deterrence Back On The Policy Menu," *Aviation Week & Space Technology*, September 29, 2014; Robert Spalding III and Adam Lowther, "It's Time to Talk About Nukes Again," *Real Clear Defense*, October 23, 2014; Gideon Rachman, "The Nuclear Gun Is Back On The Table," *Financial Times*, November 17, 2014; Elbridge Colby, "Welcome to China and America's Nuclear Nightmare," *The National Interest*, December 19, 2014; Julian Borger, "US and Russia in Danger of Returning to Era of Nuclear Rivalry," *The Guardian*, January 4, 2015; Jeffrey Lewis, "Led Zeppelin Comes to Washington," *Foreign Policy*, January 5, 2015.

[33] See, for example, William J. Broad and David E. Sanger, "U.S. Ramping Up Major Renewal in Nuclear Arms," *New York Times*, September 21, 2014; CRS Report RL33640, *U.S. Strategic Nuclear Forces: Background, Developments, and Issues*, by Amy F. Woolf, and Congressional Budget Office, *Projected Costs of U.S. Nuclear Forces, 2015 to 2024* January 2015, 7 pp.

[34] CRS Report R41129, *Navy Ohio Replacement (SSBN[X]) Ballistic Missile Submarine Program: Background and Issues for Congress*, by Ronald O'Rourke.

[35] CRS Report R43049, *U.S. Air Force Bomber Sustainment and Modernization: Background and Issues for Congress*, by Jeremiah Gertler.

[36] For a discussion of China's submarine fleet, see CRS Report RL33153, *China Naval Modernization: Implications for U.S. Navy Capabilities—Background and Issues for Congress*, by Ronald O'Rourke.

[37] See, for example, Jeff W. Benson, "Opinion: A New Era in Anti-Submarine Warfare," *USNI News*, August 27, 2014; Kris Osborn, "US Navy Issues Warnings on Russia, China's Submarine Fleets, *Military.com*, September 20, 2014; Karl Ritter and Matti Huuhtanen (Associated Press), "Submarine Hunt Sends Cold War Chill Across Baltic," *Washington Post*, October 20, 2014; Kris Osborn, "CNO Warms of Advanced Russian Submarine Development," *Military.com*, October 23, 2014; James R. Holmes, "Relearning Anti-Submarine Warfare," *The Diplomat*, October 30, 2014; Sam LaGrone, "CNO Greenert: Russian Navy 'Very Busy in the Undersea Domain,'" *USNI News*, November 4, 2014; Tony Osborne, "Canadians, French, U.S. Hunt For Submarine Off Scotland," *Aerospace Daily & Defense Report*, December 9, 2014; Kylie Maclellan, "Britain Calls on NATO Allies To Help in Submarine Hunt: Media," *Reuters*, December 10, 2014; Jeffrey Lewis, "Led Zeppelin Comes to Washington," *Foreign Policy*, January 5, 2015; Jamie Merrill, "MoD Asks for American Help in Searching For Russian Submarine Near Scotland," *The Independent*, January 8, 2015; Tony Osborne, "Sweden Acknowledges Second Submarine Hunt," *Aerospace Daily & Defense Report*, January 16, 2015: 3.

[38] For a discussion of the Virginia-class program, see CRS Report RL32418, *Navy Virginia (SSN-774) Class Attack Submarine Procurement: Background and Issues for Congress*, by Ronald O'Rourke.

equipment, including (to cite just two examples), P-8 Poseidon multi-mission aircraft and ASW equipment for Littoral Combat Ships (LCSs).[39]

Reliance on Russian-Made Components

Increased tensions with Russia have led to an interest in eliminating instances of being dependent on Russian-made military systems and components for U.S. military systems. A current case in point concerns the Russian-made RD-180 rocket engine, which is incorporated into U.S. space launch rockets, including rockets used by DOD to put military payloads into orbit.[40]

Issues for Congress

Potential policy and oversight issues for Congress include the following:

- **Shift in strategic situation.** Has there been a shift in the international security environment, and if so, what features characterize the new environment?
- **Reassessment of U.S. defense funding levels, strategy, and missions.** Should there be a reassessment of U.S. defense funding levels, strategy, and missions?
- **Congressional role in reassessment.** If there is to be such a reassessment, how should it be done, and what role should Congress play? Should Congress conduct the reassessment itself, through committee activities? Should Congress establish the terms of reference for a reassessment to be conducted by the executive branch or by an independent, third-party entity (such as a blue ribbon panel)? Should some combination of these approaches be employed?
- **Potential effect on plans and programs.** How might such a reassessment affect the current terms of debate on U.S. defense? What might be the potential implications for U.S. defense plans and programs?
- **U.S. and NATO military capabilities in Europe.** Are the United States and its NATO allies taking appropriate steps regarding U.S. and NATO military capabilities and operations in Europe? What potential impacts would a strengthened U.S. military presence in Europe have on total U.S. military force structure requirements? What impact would it have on DOD's ability to implement the military component of the U.S. strategic rebalancing toward the Asia-Pacific region?
- **New forms of aggression and assertiveness.** Do the United States and its allies and partners have an adequate strategy for countering Russia's so-called ambiguous warfare in eastern Ukraine and China's so-called salami-slicing tactics in the East and South China Seas?

[39] For a discussion of the LCS program, see CRS Report RL33741, *Navy Littoral Combat Ship (LCS)/Frigate Program: Background and Issues for Congress*, by Ronald O'Rourke.

[40] For a discussion, see CRS Report IN10069, *Russian Sanctions Reprisal Against the RD-180 Rocket Engine: Paths Ahead for U.S. National Security Space Launch*, by Steven A. Hildreth. See also Daniel Goure, "With A New Cold War Beginning, Reliance On Russia For Rocket Engines Is Madness," *Lexington Institute*, August 7, 2014; David A. Deptula, "The Russians Have Us Over a Rocket," *Wall Street Journal*, October 23, 2014.

- **Nuclear weapons and nuclear deterrence.** Are current DOD plans for modernizing U.S. strategic nuclear weapons, and for numbers and basing of non-strategic (i.e., theater-range) nuclear weapons aligned with the needs of the new strategic situation?
- **Submarines and antisubmarine warfare.** Are current Navy plans for numbers and capabilities of attack submarines, and ASW capabilities, aligned with the needs of the new strategic situation?
- **Reliance on Russian-made components.** Aside from the Russian-made RD-180 rocket engine, what other Russian-made components, if any, are incorporated into DOD equipment? What are DOD's plans regarding reliance on Russian-made components for DOD equipment?

Legislative Activity in 2015

The Administration's proposed FY2016 defense budget was submitted to Congress on February 2, 2015.

FY2016 National Defense Authorization Act (H.R. 1735/S. 1376)

House (Committee Report)

Section 1088 of H.R. 1735 as reported by the House Armed Services Committee (H.Rept. 114-102 of May 5, 2015) states:

> SEC. 1088. Department of Defense strategy for countering unconventional warfare.
>
> (a) Strategy required.—The Secretary of Defense, in consultation with the President and the Chairman of the Joint Chiefs of Staff, shall develop a strategy for the Department of Defense to counter unconventional warfare threats posed by adversarial state and non-state actors.
>
> (b) Elements.—The strategy required under subsection (a) shall include each of the following:
>
> (1) An articulation of the activities that constitute unconventional warfare being waged upon the United States and allies.
>
> (2) A clarification of the roles and responsibilities of the Department of Defense in providing indications and warning of, and protection against, acts of unconventional warfare.
>
> (3) The current status of authorities and command structures related to countering unconventional warfare.
>
> (4) An articulation of the goals and objectives of the Department of Defense with respect to countering unconventional warfare threats.
>
> (5) An articulation of related or required interagency capabilities and whole-of-Government activities required by the Department of Defense to support a counter-unconventional warfare strategy.

(6) Recommendations for improving the counter-unconventional warfare capabilities, authorities, and command structures of the Department of Defense.

(7) Recommendations for improving interagency coordination and support mechanisms with respect to countering unconventional warfare threats.

(8) Recommendations for the establishment of joint doctrine to support counter-unconventional warfare capabilities within the Department of Defense.

(9) Any other matters the Secretary of Defense and the Chairman of the Joint Chiefs of Staff determine necessary.

(c) Submittal to Congress.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees the strategy required by subsection (a). The strategy shall be submitted in unclassified form, but may include a classified annex.

(d) Definition of unconventional warfare.—In this section, the term "unconventional warfare" means activities conducted to enable a resistance movement or insurgency to coerce, disrupt, or overthrow a government or occupying power by operating through or with an underground, auxiliary, or guerrilla force in a denied area.

Section 1531 of H.R. 1735 as reported by the committee states:

SEC. 1531. Statement of policy regarding European Reassurance Initiative.

(a) Findings.—Congress makes the following findings:

(1) In February 2015, Lieutenant General James Clapper (retired), Director of National Intelligence, testified to the Committee on Armed Services of the Senate that "Russian dominance over the former Soviet space is Russia's highest foreign policy goal".

(2) Russia, under the direction of President Vladimir Putin, has demonstrated its intent to expand its sphere of influence beyond its borders and limit Western influence in the region.

(3) The Russian military is aggressively postured on the Ukrainian boarder and continues its buildup of military personnel and material. These aggressive and unwarranted actions serve to intimidate, with a show of force, the Ukrainian people as well as the other nations in the region including Georgia, the Baltic States, and the Balkan States.

(4) In December 2014, Congress enacted the Ukraine Freedom Support Act of 2014 (Public Law 113–272), which gives the President the authority to expand assistance to Ukraine, increase economic sanctions on Russia, and provide equipment to counter offensive weapons.

(5) In February 2015, the Atlantic Council, the Brookings Institute, and the Chicago Council on Global Affairs published a report entitled "Preserving Ukraine's Independence, Resisting Russian Aggression: What the United States and NATO Must Do" advocating for increased United States assistance to Ukraine with nonlethal and lethal defensive equipment.

(6) Despite Russia signing the February 2015 Minsk Agreement, it has continued to violate the terms of the agreement, as noted by Assistant Secretary of State for European and Eurasian Affairs, Victoria Nuland, at the German Marshall Fund Brussels Forum in March 2015: "We've seen month on month, more lethal weaponry of a higher caliber...poured into

Ukraine by the separatist Russian allies...the number one thing is for Russia to stop sending arms over the border so we can have real politics.".

(7) The military of the Russian Federation continues to increase their show of force globally, including frequent international military flights, frequent snap exercises of thousands of Russian troops, increased global naval presence, and the threat of the use of nuclear weapons in defense of the annexation of Crimea in March 2014.

(8) The Government of the Russian Federation continues to exert and increase undue influence on the free will of sovereign nations and people with intimidation tactics, covert operations, cyber warfare, and other unconventional methods.

(9) In testimony to the Committee on Armed Services of the House of Representatives in February 2015, Commander of European Command, General Philip Breedlove, United States Air Force, stated that "Russia has employed 'hybrid warfare'...to illegally seize Crimea, foment separatist fever in several sovereign nations, and maintain frozen conflicts within its so-called 'sphere of influence' or 'near abroad'".

(10) The use of unconventional methods of warfare by Russia presents challenges to the United States and its partners and allies in addressing the threat.

(11) An enhanced United States military presence and readiness posture and the provision of security assistance in Europe are key elements to deterring further Russian aggression and reassuring United States allies and partners.

(12) In the National Defense Authorization Act for Fiscal Year 2015 (Public Law 113–291), Congress authorized and appropriated $1 billion for the European Reassurance Initiative, which supports Operation Atlantic Resolve of the United States Armed Forces.

(13) The European Reassurance Initiative expands United States military presence in Europe, through—

(A) bolstered and continual United States military presence;

(B) bilateral and multilateral exercises with partners and allies;

(C) improved infrastructure;

(D) increased prepositioning of United States equipment throughout Europe; and

(E) building partnership capacity for allies and partners.

(14) The European Reassurance Initiative has served as a valuable tool in strengthening the partnerships with the North Atlantic Treaty Organization (NATO) as well as partnerships with non-member allies in the region.

(15) As a result of the NATO 2014 Summit in Wales, NATO has initiated a Readiness Action Plan to increase partner nation funding and resourcing to combat Russian aggression. NATO's efforts with the Readiness Action Plan and United States investment in regional security through the European Reassurance Initiative will serve to continue and reinforce the strength and fortitude of the alliance against nefarious actors.

(16) The President's Budget Request for fiscal year 2016 includes $789.3 million to continue the European Reassurance Initiative focus on increased United States military troop rotations

in support of Operation Atlantic Resolve, maintaining and further expanding increasing regional exercises, and building partnership capacity.

(b) Statement of policy.—It is the policy of the United States to continue and expand its efforts in Europe to reassure United States allies and partners and deter further aggression and intimidation by the Russian Government, in order to enhance security and stability in the region. This policy shall include—

(1) continued use of conventional methods, including increased United States military presence in Europe, exercises and training with allies and partners, increasing infrastructure, prepositioning of United States military equipment in Europe, and building partnership capacity;

(2) increased emphasis on countering unconventional warfare methods in areas such as cyber warfare, economic warfare, information operations, and intelligence operations, including increased efforts in the development of strategy, operational concepts, capabilities, and technologies; and

(3) increased security assistance to allies and partners in Europe, including the provision of both non-lethal equipment and lethal equipment of a defensive nature to Ukraine.

Section 1610 of H.R. 1735 as reported by the committee states:

SEC. 1610. Prohibition on reliance on China and Russia for space-based weather data.

(a) Prohibition.—The Secretary of Defense shall ensure that the Department of Defense does not rely on, or in the future plan to rely on, space-based weather data provided by the Government of China, the Government of Russia, or an entity owned or controlled by the Government of China or the Government of Russia for national security purposes.

(b) Certification.—Not later than 90 days after the date of the enactment of this Act, the Secretary shall submit to the congressional defense committees a certification that the Secretary is in compliance with the prohibition under subsection (a).

H.Rept. 114-102 states:

Russian Unconventional Warfare

Tactics employed by the Russian Federation in its aggression against Ukraine are not unique. However, Russia has combined them in new, effective, and troubling ways. It has fomented and taken advantage of ethnic disputes to train, build, and equip a separatist army in Ukraine under Russian direction. It has combined this line of effort with propaganda, diplomatic, and economic measures to try to reduce the effectiveness of Ukraine's response, as well as the response of the United States and Europe, and to preserve and extend its perceived sphere of influence.

The North Atlantic Treaty Organization (NATO) is the most successful military alliance in history, defending the security interests of its members against external threats for over 60 years. The committee supports the NATO alliance and believes that it can successfully continue to serve as a bedrock for U.S. and European security. However, the committee notes that the methods currently being used by Russia in Ukraine pose a challenge to the NATO system.

The core of the NATO alliance is provided by Article 5 of the Washington Treaty, which enshrines the principle of collective selfdefense: ''The Parties agree that an armed attack against one or more of them in Europe or North America shall be considered an attack against them all . . .'' In the wake of Russian actions in Ukraine, both the United States, in a series of bilateral actions referred to as the European Reassurance Initiative, and NATO collectively, in the Readiness Action Plan, have taken steps to ensure that all parties are postured to respond to any new aggression. The committee is concerned, however, that these steps may not sufficiently address the challenges posed by Russian tactics.

At its core, collective self-defense requires that the parties to the treaty agree that one of the members is under attack. This implies that such aggression can be correctly attributed to some actor outside the alliance. Russia's actions have been designed to be deniable and difficult to attribute directly to Russian government activity. Should similar tactics, or even more covert methods, be applied to NATO member states that border Russia, it may be difficult to attribute them to Russian activity and therefore difficult to trigger a collective NATO response. It is likely that some NATO members will have different views on the degree of Russian involvement. In addition, it is possible that Russia would perceive NATO may have difficulty in coming to an agreement about a collective response, which could undermine NATO's ability to deter Russia from engaging in attempts to intervene in sovereign issues of NATO members.

The committee believes that the Department of Defense, and NATO, should fully explore how the United States, NATO, and member states can, as necessary, establish deterrence mechanisms against activities such as those undertaken by the Russian government in Ukraine. The committee directs the Secretary of Defense, acting through the Office of Net Assessment or other such organization as the Secretary considers appropriate, to undertake a study exploring various strategies for deterring external efforts to interfere with the internal workings of NATO member states by Russia, or any other actor utilizing tactics such as propaganda in media, economic warfare, cyber warfare, criminal acts, and intelligence operations, similar to those being used by Russia in Ukraine. The committee expects the Secretary to deliver a report to the congressional defense committees containing the findings of such study not later than March 31, 2016.

This study would complement a provision contained elsewhere in this Act requiring the Secretary of Defense to develop a strategy for the Department of Defense to counter unconventional warfare threats posed by adversarial state and non-state actors. (Pages 257-258)

H.Rept. 114-102 also states:

Funding and Support for the European Reassurance Initiative

The budget request included $789.3 million for the European Reassurance Initiative (ERI). The committee supports the policy and activities contained in the ERI, which was originally proposed as part of the budget request for fiscal year 2015. However, the committee observes that these initiatives are largely focused on conventional reassurance and deterrence activities. The committee also recognizes that the Russian Federation has employed unconventional warfare methods in areas such as cyber warfare, economic warfare, information operations, and intelligence operations, and believes the Department of Defense should increase its focus on countering such methods.

The committee believes that ERI funds for fiscal year 2016 should be allocated for continued conventional reassurance and deterrence activities, as outlined in section 1535 of the Carl Levin and Howard P. ''Buck'' McKeon National Defense Authorization Act for Fiscal Year 2015 (Public Law 113–291), as well as countering unconventional threats. Therefore,

elsewhere in this Act, the committee includes a provision that would: (1) lay out a statement of policy regarding ERI; (2) require a Department of Defense strategy to address unconventional warfare methods; and (3) authorize increased funding for U.S. intelligence and warning capabilities related to the European theater, technologies supporting U.S. information operations and strategic communications activities, the Javelin weapon system, and Stryker combat vehicle upgrades to meet U.S. Army Europe operational needs.

The committee further believes that, as part of the U.S. effort to increase security assistance to allies and partners in Europe, ERI funds should be allocated to provide both nonlethal equipment and lethal equipment of a defensive nature to Ukraine. Therefore, elsewhere in this Act, the committee includes a provision that would authorize appropriations to provide sustainment and assistance to the military and national security forces of Ukraine.

The committee believes that all of these U.S. efforts taken in combination are vital to address regional security and to deter and counter continued Russian aggression. The committee further believes that these efforts should be enduring and must be sustained as core activities of the Department of Defense in Europe. (Pages 281-282)

House (Floor Action)

On May 15, 2015, as part of its consideration of H.R. 1735, the House agreed by voice vote to H.Amdt. 229, an en bloc amendment that included, among other things, an amendment that was number 59 in H.Rept. 114-112 of May 13, 2015, on H.Res. 260, providing for the further consideration of H.R. 1735. Amendment number 59 in H.Rept. 115-102 states:

Page 227, after line 19, insert the following new section:

SEC. 569. REPORT ON CIVILIAN AND MILITARY EDUCATION TO RESPOND TO FUTURE THREATS.

(a) IN GENERAL.—Not later than June 1, 2016, the Secretary of Defense shall submit to the congressional defense committees a report describing both civilian and military education requirements necessary to meet any threats anticipated in the future security environment as described in the quadrennial defense review. Such report shall include—

(1) an assessment of the learning outcomes required of future members of the Armed Forces and senior military leaders to meet such threats;

(2) an assessment of the shortfalls in current professional military education requirements in meeting such threats;

(3) an assessment of successful professional military education programs that further the ability of the Department of Defense to meet such threats;

(4) recommendations of subjects to be covered by civilian elementary and secondary schools in order to better prepare students for potential military service;

(5) recommendations of subjects to be included in professional military education programs;

(6) recommendations on whether partnerships between the Department of Defense and private institutions of higher education (as defined in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a))) would help meet such threats; and

> (7) an identification of opportunities for the United States to strengthen its leadership role in the future security environment and a description of how the recommendations made in this report contribute to capitalizing on such opportunities.
>
> (b) UPDATED REPORTS.—Not later than 10 months after date of the publication of each subsequent quadrennial defense review, the Secretary of Defense shall update the report described under subsection (a) and shall submit such report to the congressional defense committees.

The above section became **Section 570** of H.R. 1735 as passed by the House on May 15, 2015.

Also on May 15, 2015, as part of its consideration of H.R. 1735, the House agreed by voice vote to H.Amdt. 236, an en bloc amendment that included, among other things, an amendment that was number 115 in H.Rept. 114-112 of May 13, 2015, on H.Res. 260, providing for the further consideration of H.R. 1735. Amendment number 115 in H.Rept. 115-102 states:

> At the end of subtitle G of title XII (page 622, after line 22), add the following:
>
> SEC. 12xx. REPORT ON IMPACT OF ANY SIGNIFICANT REDUCTION IN UNITED STATES TROOP LEVELS OR MATERIEL IN EUROPE ON NATO'S ABILITY TO CREDIBLY ADDRESS EXTERNAL THREATS TO ANY NATO MEMBER STATE.
>
> (a) SENSE OF CONGRESS.—It is the sense of Congress that—(1) in order to demonstrate United States commitment to North Atlantic Treaty Organization (NATO) allies, especially those NATO allies under pressure on the Eastern flank of the Alliance, and to enhance the United States deterrent presence and resolve to countering threats to NATO's collective security, United States Armed Forces stationed and deployed in Europe should be increased in number and combat power; and (2) the ''current and foreseeable security environment'', as referenced in paragraph 12 of Section IV on Political-Military Matters of the Founding Act on Mutual Relations, Cooperation and Security between NATO and the Russian Federation (NATO-Russia Founding Act), has changed significantly since the signing of such Act in 1997 and thus such Act should not be read, interpreted, or implemented so as to constrain or in any way limit additional permanent stationing of substantial combat forces anywhere on the territory of any NATO member State in furtherance of NATO's core mission of collective defense and other missions.
>
> (b) REPORT.—
>
> (1) IN GENERAL.—In order to ensure that the United States contribution to NATO's core mission of collective defense remains robust and ready to meet any future challenges, the Secretary of Defense shall submit to the appropriate congressional committees a report on the impact of any significant reduction in United States troop levels or materiel in Europe on NATO's ability to credibly deter, resist, and, if necessary, repel external threats to any NATO member State.
>
> (2) DEADLINE.—The report required under paragraph (1) shall be submitted not later than 30 days prior to the date on which any significant reduction described in paragraph (1) is scheduled to take place.
>
> (3) FORM.—The report required under paragraph (1) shall be submitted in unclassified form, but may contain a classified annex if necessary to protect the national security interests of the United States.

(4) DEFINITION.—In this subsection, the term ‘‘appropriate congressional committees’’ means—

(A) the Committee on Armed Services and the Committee on Foreign Relations of the Senate; and

(B) the Committee on Armed Services and the Committee on Foreign Affairs of the House of Representatives.

The above section became **Section 1274** of H.R. 1735 as passed by the House on May 15, 2015.

Senate

Section 212 of S. 1376 as reported by the Senate Armed Services Committee (S.Rept. 114-49 of May 19, 2015) states:

SEC. 212. Department of Defense technology offset program to build and maintain the military technological superiority of the United States.

(a) Program established.—

(1) IN GENERAL.—The Secretary of Defense shall establish a technology offset program to build and maintain the military technological superiority of the United States by—

(A) accelerating the fielding of offset technologies that would help counter technological advantages of potential adversaries of the United States, including directed energy, low-cost, high-speed munitions, autonomous systems, undersea warfare, cyber technology, and intelligence data analytics, developed using Department of Defense research funding and accelerating the commercialization of such technologies; and

(B) developing and implementing new policies and acquisition and business practices.

(2) GUIDELINES.—Not later than one year after the date of the enactment of this Act, the Secretary shall issue guidelines for the operation of the program, including—

(A) criteria for an application for funding by a military department, defense agency, or a combatant command;

(B) the purposes for which such a department, agency, or command may apply for funds and appropriate requirements for technology development or commercialization to be supported using program funds;

(C) the priorities, if any, to be provided to field or commercialize offset technologies developed by certain types of Department research funding; and

(D) criteria for evaluation of an application for funding or changes to policies or acquisition and business practices by a department, agency, or command for purposes of the program.

(b) Development of directed energy strategy.—

(1) IN GENERAL.—Not later than one year after the date of the enactment of this Act, the Secretary, in consultation with such officials and third-party experts as the Secretary

considers appropriate, shall develop a directed energy strategy to ensure that the United States directed energy technologies are being developed and deployed at an accelerated pace.

(2) COMPONENTS OF STRATEGY.—The strategy required by paragraph (1) shall include the following:

(A) A technology roadmap for directed energy that can be used to manage and assess investments and policies of the Department in this high priority technology area.

(B) Proposals for legislative and administrative action to improve the ability of the Department to develop and deploy technologies and capabilities consistent with the directed energy strategy.

(C) An approach to program management that is designed to accelerate operational prototyping of directed energy technologies and develop cost-effective, real-world military applications for such technologies.

(3) BIENNIAL REVISIONS.—Not less frequently than once every 2 years, the Secretary shall revise the strategy required by paragraph (1).

(4) SUBMITTAL TO CONGRESS.—(A) Not later than 90 days after the date on which the Secretary completes the development of the strategy required by paragraph (1) and not later than 90 days after the date on which the Secretary completes a revision to such strategy under paragraph (3), the Secretary shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a copy of such strategy.

(B) The strategy submitted under subparagraph (A) shall be submitted in unclassified form, but may include a classified annex.

(c) Applications for funding.—

(1) IN GENERAL.—Under the program, the Secretary shall, not less frequently than annually, solicit from the heads of the military departments, the defense agencies, and the combatant commands applications for funding to be used to enter into contracts, cooperative agreements, or other transaction agreements entered into pursuant to section 845 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 10 U.S.C. 2371 note) with appropriate entities for the fielding or commercialization of technologies.

(2) TREATMENT PURSUANT TO CERTAIN CONGRESSIONAL RULES.—Nothing in this section shall be interpreted to require any official of the Department of Defense to provide funding under this section to any earmark as defined pursuant to House Rule XXI, clause 9, or any congressionally directed spending item as defined pursuant to Senate Rule XLIV, paragraph 5.

(d) Funding.—

(1) IN GENERAL.—Subject to the availability of appropriations for such purpose, of the amounts authorized to be appropriated for research, development, test, and evaluation, Defense-wide for fiscal year 2016, not more than $400,000,000 may be used for any such fiscal year for the program established under subsection (a).

(2) AMOUNT FOR DIRECTED ENERGY.—Of this amount, not more than $200,000,000 may be used for activities in the field of directed energy.

(e) Transfer authority.—

(1) IN GENERAL.—The Secretary may transfer funds available for the program to the research, development, test, and evaluation accounts of a military department, defense agency, or a combatant command pursuant to an application, or any part of an application, that the Secretary determines would support the purposes of the program.

(2) SUPPLEMENT NOT SUPPLANT.—The transfer authority provided in this subsection is in addition to any other transfer authority available to the Department of Defense.

(f) Termination.—

(1) IN GENERAL.—The authority to carry out a program under this section shall terminate on September 30, 2020.

(2) TRANSFER AFTER TERMINATION.—Any amounts made available for the program that remain available for obligation on the date the program terminates may be transferred under subsection (e) during the 180-day period beginning on the date of the termination of the program.

Regarding Section 212, S.Rept. 114-49 states:

Department of Defense technology offset program to build and maintain the military technological superiority of the United States (sec. 212)

The committee notes with concern that the United States has not faced a more diverse and complex array of crises since the end of World War II, and that taken together, they constitute the greatest challenge in a generation to the integrity of the liberal world order, which has consistently been underwritten by U.S. military technological superiority. At the same time, the committee is alarmed by the apparent erosion in recent years of this technological advantage, which is in danger of disappearing altogether. To prevent such a scenario and to maintain the country's global military technological edge, the committee recommends a provision that would establish a new $400.0 million initiative.

In doing so, the committee notes that the Defense Department is facing an emerging innovation gap. Commercial research and development in the United States now represents 80 percent of the national total, and the top four U.S. defense contractors combined spend only one-quarter of what the single biggest internet company does on research and development. Furthermore, global research and development is now more than twice that of the United States. The committee also notes that defense innovation is moving too slowly—in cycles that can last up to 18 years, whereas commercial innovation can be measured in cycles of 18 months or less.

The committee understands that accessing sources of innovation beyond the Defense Department is critical for national security, particularly in the areas of directed energy, low-cost high-speed munitions, cyber capabilities, autonomous systems, undersea warfare, and intelligence data analytics. However, there are currently too many barriers that limit cooperation with U.S. allies and global commercial firms, posing a threat to the country's future military technological dominance.

For the past several years, U.S. adversaries have been rapidly improving their own military capabilities to counter our unique advantages. Structural trends, such as the diffusion of certain advanced military technologies, pose new operational challenges to U.S. armed forces. As a result, the dominance of the United States military can no longer be taken for granted. Consequently, the Department of Defense must remain focused on the myriad potential threats of the future and thus maintain technological superiority against potential adversaries.

The committee notes that since 1960, the department has invested more than $6.0 billion in directed energy science and technology initiatives. The committee is concerned that, despite this significant investment, the department's directed energy initiatives are not resourced at levels necessary to transition them to fullscale acquisition programs. The committee is encouraged by the Navy's demonstration a 100–150 kilowatt prototype laser and by the Air Force's demonstration of high-powered electromagnetic weapons capabilities. However, the committee is concerned about the future of directed energy technologies as a whole. The committee notes that there is no inter-service entity dedicated to advancing promising directed energy platforms beyond the development point towards acquisition.

The committee is encouraged that the department established a department-wide Defense Innovation Initiative in November 2014 to pursue innovative ways to sustain and advance our military superiority and to improve business operations throughout the department. However, the committee is concerned by the possibility that this initiative is not being implemented in an appropriate and expeditious manner.

In response to these factors, the committee recommends a provision that would establish an initiative within the Department of Defense to maintain and enhance the military technological superiority of the United States. The provision would establish a program to accelerate the fielding of offset technologies, including, but not limited to, directed energy, low-cost high-speed munitions, autonomous systems, undersea warfare, cyber technology, and intelligence data analytics, developed by the department and to accelerate the commercialization of such technologies. As part of this program, the committee expects that the Secretary of Defense would also establish updated policies and new acquisition and management practices that would speed the delivery of offset technologies into operational use.

The provision would authorize $400.0 million for fiscal year 2016 for the initiative, of which $200.0 million would be authorized specifically for directed energy technology. Accordingly, the provision would mandate the Secretary to develop a directed energy strategy to ensure that appropriate technologies are developed and deployed at an accelerated pace, and update it every 2 years. The committee expects that this strategy would include a recommendation on rationalizing the roles and authorities of the Joint Technology Office for High Energy Lasers. The provision would further direct the Secretary to submit this strategy to the Senate Armed Services Committee and the House Armed Services Committee no later than 90 days after completing the strategy, and biennially thereafter.

To speed up the development of these vitally needed national security capabilities, the committee directs that the Secretary of Defense shall consider all appropriate flexible acquisition authorities granted in law and in this Act. These should include the management structure and streamlined procedures for rapid prototyping outlined in section 803 of this Act on the middle tier of acquisition for rapid prototyping and rapid fielding, and the procedures and authorities to be considered under section 805 of this Act on use of alternative acquisition paths to acquire critical national security capabilities to include other transactions, rapid acquisition, and commercial item authorities.

The committee expects that the Secretary of Defense would keep the Senate Committee on Armed Services and the House Committee on Armed Services regularly updated on progress of activities under this technology offsets initiative. (Pages 44-46)

Section 1253 of S. 1376 as reported by the committee states:

SEC. 1253. Increased presence of United States ground forces in Eastern Europe to deter aggression on the border of the North Atlantic Treaty Organization.

(a) Sense of Congress.—It is the sense of Congress that—

(1) the increased presence of United States and allied ground forces in Eastern Europe since April 2014 has provided a level of reassurance to North Atlantic Treaty Organization (NATO) members in the region and strengthened the capability of the Organization to respond to any potential Russian aggression against Organization members;

(2) at the North Atlantic Treaty Organization Wales summit in September 2014 member countries agreed on a Readiness Action Plan which is intended to improve the ability of the Organization to respond quickly and effectively to security threats on the borders of the Organization, including in Eastern Europe, and the challenges posed by hybrid warfare;

(3) the capability of the North Atlantic Treaty Organization to respond to threats on the eastern border of the Organization would be enhanced by a more sustained presence on the ground of Organization forces on the territories of Organization members in Eastern Europe; and

(4) an increased presence of United States ground forces in Eastern Europe should be matched by an increased force presence of European allies.

(b) Report.—

(1) IN GENERAL.—Not later than 120 days after the date of the enactment of this Act, the Secretary of Defense shall, in consultation with the Secretary of State, submit to the congressional defense committees a report setting forth an assessment of options for expanding the presence of United States ground forces of the size of a Brigade Combat Team in Eastern Europe to respond, along with European allies and partners, to the security challenges posed by Russia and increase the combat capability of forces able to respond to unconventional or hybrid warfare tactics such as those used by the Russian Federation in Crimea and Eastern Ukraine.

(2) ELEMENTS.—The report under this subsection shall include the following:

(A) An evaluation of the optimal location or locations of the enhanced ground force presence described in paragraph (1) that considers such factors as—

(i) proximity, suitability, and availability of maneuver and gunnery training areas;

(ii) transportation capabilities;

(iii) availability of facilities, including for potential equipment storage and prepositioning;

(iv) ability to conduct multinational training and exercises;

(v) a site or sites for prepositioning of equipment, a rotational presence or permanent presence of troops, or a combination of options; and

(vi) costs.

(B) A description of any initiatives by other members of the North Atlantic Treaty Organization, or other European allies and partners, for enhancing force presence on a permanent or rotational basis in Eastern Europe to match or exceed the potential increased presence of United States ground forces in the region.

Regarding Section 1253, S.Rept. 114-49 states:

Increased presence of United States ground forces in Eastern Europe to deter aggression on the border of the North Atlantic Treaty Organization (sec. 1253)

The committee recommends a provision that would require a report to the congressional defense committees, not later than 120 days after the date of the enactment of this Act, by the Secretary of Defense, in consultation with the Secretary of State, assessing options for expanding the presence of U.S. ground forces of the size of a brigade combat team in Eastern Europe to respond, along with European allies and partners, to the security challenges posed by Russia and to increase the combat capability of allied forces to respond to unconventional or hybrid warfare tactics like those used by Russia in Crimea and eastern Ukraine. The committee believes that any increases in the presence of U.S. ground forces in Eastern Europe should be matched by similar increases in the commitment of ground forces by European allies and partners for these purposes. (Page 233)

Section 1254 of S. 1376 as reported by the committee states:

SEC. 1254. Sense of Congress on European defense and North Atlantic Treaty Organization spending.

(a) Findings.—Congress makes the following findings:

(1) North Atlantic Treaty Organization (NATO) countries, at the 2014 North Atlantic Treaty Organization Summit in Wales, pledged to "reverse the trend of declining defense budgets, to make the most effective use of our funds and to further a more balanced sharing of costs and responsibilities".

(2) Former Secretary of Defense Chuck Hagel stated on May 2, 2014, that "[t]oday, America's GDP is smaller than the combined GDPs of our 27 NATO allies. But America's defense spending is three times our Allies' combined defense spending. Over time, this lopsided burden threatens NATO's integrity, cohesion, and capability, and ultimately both European and transatlantic security".

(3) Former North Atlantic Treaty Organization Secretary General Anders Fogh Rasmussen stated on July 3, 2014, that "[d]uring the last five years, Russia has increased defense spending by 50 percent, while NATO allies on average have decrease their defense spending by 20 percent. That is not sustainable, we need more investment in defense and security".

(b) Sense of Congress.—It is the sense of Congress that—

(1) it is in the national security and fiscal interests of the United States that prompt efforts should be undertaken by North Atlantic Treaty Organization allies to meet defense budget commitments made in Declaration 14 of the Wales Summit Declaration of September 2014;

(2) the United States Government should continue efforts through the Department of Defense and other agencies to encourage North Atlantic Treaty Organization allies towards meeting the defense spending goals set out at the Wales Summit;

(3) some North Atlantic Treaty Organization allies have already taken positive steps to reverse declines in defense spending and should continue to be supported in those efforts; and

(4) thoughtful and coordinated defense investments by European allies in military capabilities would add deterrence value to the posture of the North Atlantic Treaty Organization against Russian aggression and terrorist organizations and more appropriately balance the share of Atlantic defense spending.

Section 1255 of S. 1376 as reported by the committee states:

SEC. 1255. Additional matters in annual report on military and security developments involving the Russian Federation.

(a) Additional matters.—Subsection (b) of section 1245 of the Carl Levin and Howard P. "Buck" McKeon National Defense Authorization Act for Fiscal Year 2015 (Public Law 113–291) is amended—

(1) by redesignating paragraphs (4) through (15) as paragraphs (6) through (17), respectively; and

(2) by inserting after paragraph (3) the following new paragraphs (4) and (5):

"(4) An assessment of the force structure and capabilities of Russian military forces stationed in each of the Arctic, Kaliningrad, and Crimea, including a description of any changes to such force structure or capabilities during the one-year period ending on the date of such report and with a particular emphasis on the anti-access and area denial capabilities of such forces.

"(5) An assessment of Russian military strategy and objectives for the Arctic region.".

(b) Effective date.—The amendments made by subsection (a) shall take effect on the date of the enactment of this Act, and shall apply with respect to reports submitted under section 1245 of the Carl Levin and Howard P. "Buck" McKeon National Defense Authorization Act for Fiscal Year 2015 after that date.

Regarding Section 1255, S.Rept. 114-49 states:

Additional matters in annual report on military and security developments involving the Russian Federation (sec. 1255)

The committee recommends a provision that would add a reporting requirement to section 1245 of the Carl Levin and Howard P. ''Buck'' McKeon National Defense Authorization Act for Fiscal Year 2015 (Public Law 113–291) requiring an assessment of the force structure and capabilities of Russian military forces stationed in the Arctic region, Kaliningrad, and Crimea, as well as an assessment of the Russian military strategy in the Arctic region.

The committee is concerned about increased Russian military activity in the Arctic region and notes that Russian activities and apparent ambitions could present challenges to international law, norms, and agreements relating to the Arctic region. (Page 233)

Section 1256 of S. 1376 as reported by the committee states:

SEC. 1256. Report on alternative capabilities to procure and sustain nonstandard rotary wing aircraft historically procured through Rosoboronexport.

(a) Report on assessment of alternative capabilities.—Not later than 180 days after the date of the enactment of this Act, the Under Secretary of Defense for Acquisition, Technology, and Logistics shall, in consultation with the Chairman of the Joint Chiefs of Staff, submit to the congressional defense committees a report setting forth an assessment, obtained by the Under Secretary for purposes of the report, of the feasibility and advisability of using alternative industrial base capabilities to procure and sustain, with parts and service, nonstandard rotary wing aircraft historically acquired through Rosoboronexport, or nonstandard rotary wing aircraft that are in whole or in part reliant upon Rosoboronexport for continued sustainment, in order to benefit United States national security interests.

(b) Independent assessment.—The assessment obtained for purposes of subsection (a) shall be conducted by a federally funded research and development center (FFRDC), or another appropriate independent entity with expertise in the procurement and sustainment of complex weapon systems, selected by the Under Secretary for purposes of the assessment.

(c) Elements.—The assessment obtained for purposes of subsection (a) shall include the following:

(1) An identification and assessment of international industrial base capabilities, other than Rosoboronexport, to provide one or more of the following:

(A) Means of procuring nonstandard rotary wing aircraft historically procured through Rosoboronexport.

(B) Reliable and timely supply of required and appropriate parts, spares, and consumables of such aircraft.

(C) Certifiable maintenance of such aircraft, including major periodic overhauls, damage repair, and modifications.

(D) Access to required reference data on such aircraft, including technical manuals and service bulletins.

(E) Credible certification of airworthiness of such aircraft through physical inspection, notwithstanding any current administrative requirements to the contrary.

(2) An assessment (including an assessment of associated costs and risks) of alterations to administrative processes of the United States Government that may be required to procure any of the capabilities specified in paragraph (1), including waivers to Department of Defense or Department of State requirements applicable to foreign military sales or alterations to procedures for approval of airworthiness certificates.

(3) An assessment of the potential economic impact to Rosoboronexport of procuring nonstandard rotary wing aircraft described in paragraph (1)(A) through entities other than Rosoboronexport.

(4) An assessment of the risks and benefits of using the entities identified pursuant to paragraph (1)(A) to procure aircraft described in that paragraph.

(5) Such other matters as the Under Secretary considers appropriate.

(d) Use of previous studies.—The entity conducting the assessment for purposes of subsection (a) may use and incorporate information from previous studies on matters appropriate to the assessment.

(e) Form of report.—The report under subsection (a) shall be submitted in unclassified form, but may include a classified annex.

Regarding Section 1256, S.Rept. 114-49 states:

Report on alternative capabilities to procure and sustain nonstandard rotary wing aircraft historically procured through Rosoboronexport (sec. 1256)

The committee recommends a provision that would require an independent assessment directed by the Under Secretary of Defense for Acquisition, Technology, and Logistics in consultation with the Chairman of the Joint Chiefs of Staff to report on the feasibility and advisability of using alternative industrial base capabilities to procure and sustain nonstandard rotary wing aircraft historically acquired through the Russian state corporation Rosoboronexport. The assessment would include an analysis of the economic impact as well as alterations that would be required for waivers of foreign military sales requirements and procedures for approval of airworthiness certificates.

The committee notes that the use of alternative industrial base capability to divest reliance on Rosoboronexport could benefit United States national security interests, deny financial support to the Russian Federation, and could potentially benefit U.S. and Ukrainian commercial interests. (pages 233-234)

Section 1603 of S. 1376 as reported by the committee states:

SEC. 1603. Exception to the prohibition on contracting with Russian suppliers of rocket engines for the evolved expendable launch vehicle program.

Section 1608 of the Carl Levin and Howard P. "Buck" McKeon National Defense Authorization Act for Fiscal Year 2015 (Public Law 113–291; 128 Stat. 3626; 10 U.S.C. 2271 note) is amended—

(1) in subsection (a), by striking "subsections (b) and (c)" and inserting "subsections (b), (c), and (d)"; and

(2) by adding at the end the following new subsection:

"(d) Special rule for phase 1A competitive opportunities.—

"(1) IN GENERAL.—For not more than 9 competitive opportunities described in paragraph (2), the Secretary of Defense may award a contract—

"(A) requiring the use of a rocket engine designed or manufactured in the Russian Federation that is eligible for a waiver under subsection (b) or an exception under subsection (c); or

"(B) if a rocket engine described in subparagraph (A) is not available, requiring the use of a rocket engine designed or manufactured in the Russian Federation that is not eligible for such a waiver or exception.

"(2) COMPETITIVE OPPORTUNITIES DESCRIBED.—A competitive opportunity described in this paragraph is—

"(A) an opportunity to compete for a contract for the procurement of property or services for space launch activities under the evolved expendable launch vehicle program; and

"(B) one of the 9 Phase 1A competitive opportunities for fiscal years 2015 through 2017, as specified in the budget justification materials submitted to Congress in support of the budget of the President for fiscal year 2016 (as submitted to Congress under section 1105(a) of title 31, United States Code).".

Regarding Section 1603, S.Rept. 114-49 states:

Exception to the prohibition on contracting with Russian suppliers of rocket engines for the Evolved Expendable Launch Vehicle program (sec. 1603)

The committee recommends a provision that would amend section 1608 of the Carl Levin and Howard P. ''Buck'' McKeon National Defense Authorization Act for Fiscal Year 2015 (Public Law 113–291; 128 Stat. 3626; 10 U.S.C. 2271 note) by adding a special rule for Phase 1A competitive opportunities. For not more than nine competitive Phase 1A launches, the special rule would allow the Secretary of Defense to award a contract requiring the use of a rocket engine designed or manufactured in the Russian Federation that is eligible for the existing waiver or exception requirements as specified in the existing statute. If a circumstance arises during the Phase 1A period where a launch provider is awarded a competitive contract and requires a rocket engine unable to meet the waiver or exception requirements, the provision would allow for the Secretary to waive the waiver or exception. In order to qualify for the new special rule, all engines that meet the waiver or exception of the existing statute must first be used.

The committee notes that for the Phase 1A competitive period, this could result in as few as zero Russian rocket engines or up to nine, depending upon the outcome of the competitions. The committee believes that the continued use of Russian rocket engines represents a threat to our national security and that their use should be minimized to the greatest extent practicable.

National Security Presidential Directive 40 states that Assured Access to Space is ''a requirement for critical national security, homeland security, and civil missions and is defined as a sufficiently robust, responsive, and resilient capability to allow continued space operations, consistent with risk management and affordability. The Secretary of Defense and the Administrator of the National Aeronautics and Space Administration, as appropriate, are responsible for assuring access to space.'' The committee notes that under section 1608, the National Aeronautics and Space Administration (NASA) is not prohibited from procuring launches that utilize rocket engines manufactured or designed in the Russian Federation. The committee also notes that NASA has contracts for numerous launches that rely on Russian rocket engines for the foreseeable future. While the committee does not condone the use of Russian rocket engines for NASA purposes, the committee recognizes that assured access to space can still be met if a national emergency required the use of a NASA procured launch for Department of Defense purposes. (Pages 258-259)

S.Rept. 114-49 also states:

Committee overview

For seven decades, the U.S. military has been the most reliable guarantor of the foundations of international order that American statesmen of both parties helped to establish in the aftermath of World War II. The relative security and prosperity that our nation has enjoyed, and made possible for so many others across the world, has been painstakingly maintained through the deterrence of adversaries, the cooperation with allies and partners, the global leadership of the United States, and the credibility and capability of our Armed Forces.

The committee is concerned that growing threats abroad and continued limitations on defense spending at home are increasingly harming the ability of the United States, and its military, to play an effective leadership role in the world. Indeed, military readiness and capabilities have deteriorated to the point where senior military leaders have warned that we are putting at risk the lives of the men and women who serve in our Armed Forces. There is a growing consensus that we must reverse this damage so that we can respond adequately to a host of disturbing challenges to the international order that adversely impact our national security.

These challenges include:

• In Ukraine, Russia has sought to redraw an international border and annex the territory of another sovereign country through the use of military force. It continues aggressively to destabilize Ukraine, with troubling implications for security in Europe.

• A terrorist army with tens of thousands of fighters, many holding Western passports, has taken over a vast swath of territory and declared an Islamic State in the heart of the Middle East. Nearly 3,000 U.S. troops have returned to Iraq to combat this threat, with U.S. aircraft flying hundreds of strike missions a month over Iraq and Syria.

• Amid negotiations over its nuclear program, Iran continues to pursue its ambitions to challenge regional order in the Middle East by increasing its development of ballistic missiles, support for terrorism, training and arming of pro-Iranian militant groups, and other malign activities in places such as Iraq, Syria, Lebanon, Gaza, Bahrain, and Yemen.

• Yemen has collapsed, as a Shia insurgency with ties to the Iranian regime has toppled the U.S.-backed government in Sanaa, Al-Qaeda continues to use parts of the country to plan attacks against the West, the U.S. Embassy has been evacuated, and a U.S.-backed coalition of Arab nations has intervened militarily to reverse the gains of the Houthi insurgency and to restore the previous government to power.

• Libya has become a failed state, beset by civil war and a growing presence of transnational terrorist groups, such as al-Qaeda and ISIL, similar to Afghanistan in 2001.

• North Korea, while continuing to develop its nuclear arsenal and ever-more capable ballistic missiles, committed the most destructive cyberattack ever on U.S. territory.

• China is increasingly taking coercive actions to assert expansive territorial claims that unilaterally change the status quo in the South and East China Seas and raise tensions with U.S. allies and partners, all while continuing to expand and modernize its military in ways that challenge U.S. access and freedom of movement in the Western Pacific. (Pages 2-3)

S.Rept. 114-49 also states:

Congressional Defense Review to Prepare for Future Strategic Challenges

For the past 14 years, the United States has been engaged in a long war against terrorist and violent extremist groups. The committee believes that this conflict will persist, at one level or another, across multiple theaters of operation, for some time to come, and that winning this war must be a top priority of the U.S. military and the Department of Defense (DOD).

At the same time, the committee is deeply concerned by the growth of more traditional security threats posed by powerful states, such as China and Russia, and rogue regimes such as Iran and North Korea. States such as these are modernizing their military capabilities, developing advanced technologies that could undermine U.S. military advantages—from precision-guided munitions and advanced sensors, to undersea-warfare and unmanned systems, to offensive cyber and space capabilities—and pursuing strategies that seek to deter the United States from achieving its national security interests and meeting its commitments to allies and partners.

Secretary of Defense Ashton Carter captured this new military challenge well when he said ''for decades, U.S. global power projection has relied on the ships, planes, bases, aircraft carriers, satellite networks, and other advanced capabilities that comprise our military's unrivaled technological edge. But today that superiority is being challenged in unprecedented ways.'' In short, for the first time in three decades, the United States faces a potential turning point where our nation's long-standing military advantages threaten to be eroded by new shifts in the balance of military power.

Accordingly, over the coming 18 months, the committee plans to conduct a comprehensive review of the roles, capabilities/size of the U.S. Armed Forces and DOD in meeting, and succeeding against, these new security challenges, especially those posed by the growing anti-access/area denial capabilities of U.S. adversaries. This review will utilize open hearings, classified briefings, the Government Accountability Office, the Congressional Research Service, Federally Funded Research and Development Centers, and consultation with former senior defense and military leaders and other national security experts. Building on the series of strategy-focused hearings that the committee has already conducted, the committee will deepen its oversight of military strategy while also delving deeper into intelligence and threat assessments, contingency planning, force structure and posture, joint concept development, domestic and overseas basing and infrastructure, theater and strategic

lift requirements, munition quality and quantity, and institutional and personnel reforms. The committee will also review civilian personnel policy, DOD infrastructure, and acquisition policies and practices to bring them more into line with the needs of the future.

Ultimately, the committee intends to review each of the major defense acquisition programs and its related industrial base to determine whether they are sufficient and appropriate to meet developing national security challenges. This review will take nothing for granted and will evaluate each program, both qualitatively and quantitatively, in the broader context of the roles, missions, requirements, and other capabilities of the armed services, as well as emerging technologies that could significantly alter previous assumptions underpinning the current programs of record. The committee's future budgetary decisions will be based on the outcome of this strategic review.

The committee acknowledges that for this review to be successful it will require a sustained commitment of many years and potentially multiple chairmen. The much-heralded ''offset strategy'' of the 1970s required a tremendous amount of intellectual capital and research and development dollars invested over the course of a decade before capabilities like stealth, precision-guided-munitions, and advanced sensors could be effectively deployed. Nevertheless, it is possible to embark upon a new period of sustained military innovation

today if DOD, the military services, and industry can be aligned towards this goal. The committee intends to use all of the resources at its disposal to this end. (Page 214-215)

S.Rept. 114-49 also states:

Countering Russian propaganda

The committee has watched with increasing concern the proliferation and expansion of Russian propaganda not only in Eastern Europe, but also throughout Central and Western Europe to levels not seen since the end of the Cold War. Russian-speaking populations in Eastern Europe in former Soviet Union nations, including North Atlantic Treaty Organization (NATO) allies, are especially vulnerable to propaganda that could be used to create more favorable conditions for future Russian aggression. Moreover, the sophistication and pervasiveness of outlets such as the Russia Today (RT) television network that broadcast in multiple languages in Western European democracies is cause for concern.

The committee notes that Russian propaganda has promoted a false narrative on the nature, scope, and cause of the conflict in Crimea and eastern Ukraine and has unfortunately achieved some success with targeted audiences in obscuring attribution for Russian-driven aggression and disregard for sovereignty, territorial integrity, and international law.

The committee recognizes that propaganda is a critical element of Russia's ''hybrid warfare'' concept. The speed and reach of Russian propaganda and the ambiguity it creates pose a challenge to NATO collective defense and the political consensus upon which it relies.

Therefore, the committee encourages the Secretary of Defense to consult with the Secretary of State with the objective of developing a strategy, including supporting resources, to counter Russian propaganda in Europe. (page 238)

S.Rept. 114-49 also states:

Report on capability of the North Atlantic Treaty Organization to respond to unconventional or hybrid warfare tactics such as used by the Russian Federation in Crimea and Eastern Ukraine

The committee is concerned about the capability of the North Atlantic Treaty Organization (NATO) to respond to unconventional or hybrid warfare tactics such as those used by the Russian Federation in Crimea and eastern Ukraine due to the ambiguous nature of those tactics and the resultant challenges of attribution. As such, the committee directs the Secretary of Defense to submit a report not later than September 1, 2016 to the congressional defense committees on recommendations for improving the alliance's response options, decision-making processes and implementation timelines for addressing the use of unconventional or hybrid warfare tactics such as those used by the Russian Federation. The report should include:

(1) An identification of the unconventional or hybrid tactics the Russian Federation may employ against NATO nations;

(2) A consolidation of tactics identified pursuant to paragraph (1) into a set of possible scenarios to be used to analyze potential response options by NATO;

(3) An assessment of the response options NATO could potentially pursue for each of the scenarios identified pursuant to paragraph (2);

(4) Recommendations to improve response options, decisionmaking processes, and implementation timelines for the scenarios identified pursuant to paragraph (2);

(5) An assessment of implementation by NATO of commitments made at the Wales Summit regarding the Readiness Action Plan;

(6) Recommendations, if any, for exercises or mechanisms to improve the ability of NATO to consult and reach consensus in scenarios relating to the employment of unconventional or hybrid tactics; and

(7) Such other matters as the Secretary considers appropriate. (page 240)

FY2016 DOD Appropriations Act (H.R. 2685/S. 1558)

House

Section 8105 of H.R. 2685 as reported by the House Appropriations Committee (H.Rept. 114-139 of June 5, 2015) states:

Sec. 8105. (a) None of the funds appropriated or otherwise made available by this or any other Act may be used by the Secretary of Defense, or any other official or officer of the Department of Defense, to enter into a contract, memorandum of understanding, or cooperative agreement with, or make a grant to, or provide a loan or loan guarantee to Rosoboronexport or any subsidiary of Rosoboronexport.

(b) The Secretary of Defense may waive the limitation in subsection (a) if the Secretary, in consultation with the Secretary of State and the Director of National Intelligence, determines that it is in the vital national security interest of the United States to do so, and certifies in writing to the congressional defense committees that, to the best of the Secretary's knowledge:

(1) Rosoboronexport has ceased the transfer of lethal military equipment to, and the maintenance of existing lethal military equipment for, the Government of the Syrian Arab Republic;

(2) the armed forces of the Russian Federation have withdrawn from Crimea, other than armed forces present on military bases subject to agreements in force between the Government of the Russian Federation and the Government of Ukraine; and

(3) agents of the Russian Federation have ceased taking active measures to destabilize the control of the Government of Ukraine over eastern Ukraine.

(c) The Inspector General of the Department of Defense shall conduct a review of any action involving Rosoboronexport with respect to a waiver issued by the Secretary of Defense pursuant to subsection (b), and not later than 90 days after the date on which such a waiver is issued by the Secretary of Defense, the Inspector General shall submit to the congressional defense committees a report containing the results of the review conducted with respect to such waiver.

H.Rept. 114-139 states:

EUROPEAN REASSURANCE INITIATIVE

The Committee supports efforts started in fiscal year 2015 to reassure NATO allies and partners of the continued commitment of the United States to their security and territorial integrity. The Committee recommends $789,300,000 for the European Reassurance Initiative (ERI) to support increased capability, presence, readiness, and responsiveness to deter further destabilization in central and eastern Europe. Efforts include an increased U.S. military presence in Europe, additional bilateral and multilateral exercises and training opportunities with allies and partners, improved infrastructure to allow for greater responsiveness, enhanced prepositioning of equipment in Europe, and intensified efforts to build partner capacity for new NATO members and other partners.

This funding is provided as requested in the fiscal year 2016 budget request in the military personnel and operation and maintenance accounts at the budget activity and sub-activity group level of detail. The Committee again directs the Secretary of Defense to request any required fiscal year 2017 funding within the existing military personnel and operation and maintenance accounts as part of the fiscal year 2017 budget request. (Pages 317-318)

Senate

Section 8105 of S. 1558 as reported by the Senate Appropriations Committee (S.Rept. 114-63 of June 11, 2015) states:

Sec. 8105. (a) None of the funds appropriated or otherwise made available by this or any other Act may be used by the Secretary of Defense, or any other official or officer of the Department of Defense, to enter into a contract, memorandum of understanding, or cooperative agreement with, or make a grant to, or provide a loan or loan guarantee to Rosoboronexport or any subsidiary of Rosoboronexport.

(b) The Secretary of Defense may waive the limitation in subsection (a) if the Secretary, in consultation with the Secretary of State and the Director of National Intelligence, determines that it is in the vital national security interest of the United States to do so, and certifies in writing to the congressional defense committees that, to the best of the Secretary's knowledge:

(1) Rosoboronexport has ceased the transfer of lethal military equipment to, and the maintenance of existing lethal military equipment for, the Government of the Syrian Arab Republic;

(2) The armed forces of the Russian Federation have withdrawn from Crimea, other than armed forces present on military bases subject to agreements in force between the Government of the Russian Federation and the Government of Ukraine; and

(3) Agents of the Russian Federation have ceased taking active measures to destabilize the control of the Government of Ukraine over eastern Ukraine.

(c) The Inspector General of the Department of Defense shall conduct a review of any action involving Rosoboronexport with respect to a waiver issued by the Secretary of Defense pursuant to subsection (b), and not later than 90 days after the date on which such a waiver is issued by the Secretary of Defense, the Inspector General shall submit to the congressional defense committees a report containing the results of the review conducted with respect to such waiver.

Appendix. Legislative Activity in 2014

Carl Levin and Howard P. "Buck" McKeon National Defense Authorization Act for Fiscal Year 2015 (H.R. 3979/P.L. 113-291)

Section 1251 of Carl Levin and Howard P. "Buck" McKeon National Defense Authorization Act for Fiscal Year 2015 (H.R. 3979/P.L. 113-291 of December 19, 2014) states:

> SEC. 1251. STRATEGY TO PRIORITIZE UNITED STATES DEFENSE INTERESTS IN THE ASIA-PACIFIC REGION.
>
> (a) Required Report.—
>
> (1) In general.—Not later than 1 year after the date of the enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a report that contains the strategy of the Department of Defense to prioritize United States defense interests in the Asia-Pacific region.
>
> (2) Matters to be included.—The report required by paragraph (1) shall address the following:
>
> (A) United States national security interests in the Asia-Pacific region.
>
> (B) The security environment, including threats to global and regional United States national security interests emanating from the Asia-Pacific region, including efforts by the People's Republic of China to advance their national interests in the Asia-Pacific region.
>
> (C) Regional multilateral institutions, such as the Association of Southeast Asia Nations (ASEAN).
>
> (D) Bilateral security cooperation relationships, including military-to-military engagements and security assistance.
>
> (E) United States military presence, posture, and capabilities supporting the rebalance to the Asia-Pacific region.
>
> (F) Humanitarian and disaster relief response capabilities.
>
> (G) International rules-based structures.
>
> (H) Actions the Department of Defense could take, in cooperation with other Federal agencies, to advance United States national security interests in the Asia-Pacific region.
>
> (I) Any other matters the Secretary of Defense determines to be appropriate.
>
> (3) Form.—The report required by paragraph (1) shall be submitted in unclassified form, but may contain a classified annex if necessary.
>
> (b) Resources.—The report required by subsection (a)(1) shall be informed by the results of the integrated, multi-year planning and budget strategy for a rebalancing of United States policy in Asia submitted to Congress pursuant to section 7043(a) of the Department of State,

Foreign Operations, and Related Programs Appropriations Act, 2014 (division K of the Consolidated Appropriations Act, 2014 (P.L. 113-76; 128 Stat. 533)).

(c) Annual Budget.—The President, acting through the Director of the Office of Management and Budget, shall ensure that the annual budget submitted to Congress under section 1105 of title 31, United States Code, clearly highlights programs and projects that are being funded in the annual budget of the United States Government that relate to the strategy required by subsection (a)(1) and the integrated strategy referred to in subsection (b).

Section 1254 of H.R. 3979/P.L. 113-291 states:

SEC. 1254. REPORT ON DEPARTMENT OF DEFENSE MUNITIONS STRATEGY OF THE UNITED STATES PACIFIC COMMAND.

(a) Report Required.—Not later than April 1, 2015, the Secretary of Defense shall submit to the congressional defense committees a report on the munitions strategy of the United States Pacific Command to address deficiencies in the ability of the United States Pacific Command to execute major operational plans.

(b) Elements.—The report required by subsection (a) shall include the following:

(1) An identification of current and projected critical munitions requirements, including as identified in the most-recent future-years defense program submitted to Congress by the Secretary of Defense pursuant to section 221 of title 10, United States Code.

(2) An assessment of—

(A) significant munitions gaps and deficiencies; and

(B) munitions capabilities and necessary munitions investments to address identified gaps and deficiencies.

(3) A description of current and planned munitions programs to address munitions gaps and deficiencies identified in paragraph (2), including with respect to—

(A) research, development, test, and evaluation efforts;

(B) cost, schedule, performance, and budget, to the extent such information is available; and

(C) known industrial base issues.

(4) An assessment of infrastructure deficiencies or needed enhancements to ensure adequate munitions storage and munitions deployment capability.

(5) Any other matters concerning the munitions strategy of the United States Pacific Command the Secretary of Defense determines to be appropriate.

(c) Form.—The report required by subsection (a) may be submitted in classified or unclassified form.

Section 1257 of H.R. 3979/P.L. 113-291 states:

SEC. 1257. INDEPENDENT ASSESSMENT OF THE ABILITY OF THE DEPARTMENT OF DEFENSE TO COUNTER ANTI-ACCESS AND AREA-DENIAL STRATEGIES,

CAPABILITIES, AND OTHER KEY TECHNOLOGIES OF POTENTIAL ADVERSARIES.

(a) Assessment Required.—

(1) In general.—The Secretary of Defense shall enter into an agreement with an independent entity to conduct an assessment of the ability of the Department of Defense to counter anti-access and area-denial strategies, capabilities, and other key technologies of potential adversaries.

(2) Matters to be included.—The assessment required under paragraph (1) shall include the following:

(A) An assessment of anti-access and area-denial trategies, capabilities, and other key technologies of potential adversaries during each of the fiscal year periods described in paragraph (3) that would represent a significant challenge to deployed forces and systems of the United States military, including an assessment of the extent to which such strategies, capabilities, and other key technologies could affect United States military operations.

(B) An assessment of gaps and deficiencies in the ability of the Department of Defense to address anti-access and area-denial strategies, capabilities, and other key technologies described in subparagraph (A), including an assessment of the adequacy of current strategies, programs, and investments of the Department of Defense.

(C) Recommendations for adjustments in United States policy and strategy, force posture, investments in capabilities, systems and technologies, and changes in business and management processes, or other novel approaches to address gaps and deficiencies described in subparagraph (B), or to restore, maintain, or expand United States military technological advantages, particularly in those areas in which potential adversaries are closing gaps or have achieved technological superiority with respect to the United States.

(D) Any other matters the independent entity determines to be appropriate.

(3) Fiscal year periods described.—The fiscal year periods described in this paragraph are the following:

(A) Fiscal years 2015 through 2019.

(B) Fiscal years 2020 through 2030.

(C) Fiscal years 2031 and thereafter.

(b) Report Required.—

(1) In general.—Not later than March 1, 2016, the Secretary of Defense shall submit to the congressional defense committees a report that includes the assessment required under subsection (a) and any other matters the Secretary determines to be appropriate.

(2) Form.—The report required under paragraph (1) shall be submitted in unclassified form, but may contain a classified annex if necessary.

(c) Department of Defense Support.—The Secretary of Defense shall provide the independent entity described in subsection (a) with timely access to appropriate information,

data, resources, and analysis so that the entity may conduct a thorough and independent assessment as required under subsection (a).

Regarding Section 1257, the joint explanatory statement for H.R. 3979/P.L. 113-291 states:

Independent assessment of the ability of the Department of Defense to counter anti-access and area-denial strategies, capabilities, and other key technologies of potential adversaries (sec. 1257)

The Senate committee-reported bill contained a provision (sec. 221) that would require the Secretary of Defense to task the Defense Science Board or other independent group to examine the potential specific challenges to U.S. military technological superiority within the next 10 years, and the specific planned responses by the Department of Defense (DOD) to meet these challenges.

The House bill contained a similar provision (sec. 1237) that would require the Secretary of Defense to enter into an agreement with an independent entity to conduct an assessment of anti-access and area-denial (A2AD) strategies and capabilities that pose a threat to security in the Asia-Pacific region and strategies to mitigate such threats.

The agreement includes the House provision with an amendment that would require the Secretary of Defense to task an independent entity to conduct an assessment of the ability of the DOD to counter A2AD strategies, capabilities, and other key technologies that could be implemented by potential adversaries.

In the annual report to Congress on "Military and Security Developments Involving the People's Republic of China 2014," the Department of Defense notes that China continues to sustain investments in key anti-access and area denial capabilities to deter or counter third-party intervention in the region. The Under Secretary of Defense for Acquisition, Technology and Logistics has warned that America's "technological superiority is not assured," and that "the Department of Defense is being challenged in ways that I have not seen for decades, particularly in the Asia-Pacific region." We share this concern and believe that an independent assessment could help focus the Department's investments and strategic thinking on these challenges.

We remain concerned by questions regarding the relative U.S. advantages in technological capabilities, which could be undercut as advanced technologies continue to proliferate. The potential for greater technological parity among adversaries carries the risk of U.S. military forces operating without the traditional level of overmatch needed to succeed swiftly in a contingency, which raises further questions about the impact that the loss of technological superiority would have on the freedom of U.S. action in securing national security objectives. These questions merit examination in the assessment.

Elsewhere in this Act, we require the Secretary of Defense to report on the Department's munitions strategy for United States Pacific Command, based on a provision in the House bill (sec. 1234). However, we believe that some of the reporting elements contained in the House bill would be better suited to this independent assessment. These include assessing other countries' munitions programs, capabilities, and technologies that could challenge U.S. deployed forces and military systems, and providing recommendations for how the United States can counter these challenges or restore, maintain, or expand U.S. military technological advantages in munitions.

We expect, as part of the information, data, resources, and analyses provided to the independent entity, the Department also provide a baseline description of the counter-A2AD

policies, strategies, force posture, programs, capabilities, systems and technologies that are currently in place or funded. (pdf pages 213-215 of 513)

Section 1259 of H.R. 3979/P.L. 113-291 states:

SEC. 1259. REPORT ON MARITIME SECURITY STRATEGY IN THE ASIA-PACIFIC REGION.

(a) Report Required.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees, the Committee on Foreign Relations of the Senate, and the Committee on Foreign Affairs of the House of Representatives a report that outlines the strategy of the Department of Defense with regard to maritime security in the Asia-Pacific region, with particular emphasis on the South China Sea and the East China Sea.

(b) Elements.—The report required by subsection (a) shall outline the strategy described in that subsection and include the following:

(1) An assessment of how the actions of the People's Republic of China in the South China Sea and the East China Sea have affected the status quo with regard to competing territorial and maritime claims and United States security interests in those seas.

(2) An assessment of how the naval and other maritime strategies and capabilities of the People's Republic of China, including military and law enforcement capabilities, affect the strategy in the Asia-Pacific region.

(3) An assessment of how anti-access and area denial strategies and capabilities of the People's Republic of China in the Asia-Pacific region, including weapons and technologies, affect the strategy.

(4) A description of any ongoing or planned changes in United States military capabilities, operations, and posture in the Asia-Pacific region to support the strategy.

(5) A description of any current or planned bilateral or regional naval or maritime capacity-building initiatives in the Asia-Pacific region.

(6) An assessment of how the strategy leverages military-to-military engagements between the United States and the People's Republic of China to reduce the potential for miscalculation and tensions in the South China Sea and the East China Sea, including a specific description of the effects of such engagements on particular incidents or interactions involving the People's Republic of China in those seas.

(7) Any other matters the Secretary may determine to be appropriate.

(c) Form.—The report required by subsection (a) shall be submitted in unclassified form, but may include a classified annex.

Regarding Section 1259, the joint explanatory statement for H.R. 3979/P.L. 113-291 states:

Report on maritime security strategy in the Asia-Pacific region (sec. 1259)

The Senate committee-reported bill contained a provision (sec. 1245) that would require the President to submit to the congressional defense committees a report that outlines the strategy of the Department of Defense with regard to maritime security in the South China

Sea and East China Sea. The provision would also require an annual briefing on the military to military engagement with the People's Republic of China.

The House bill contained no similar provision.

The agreement includes the Senate provision with a clarifying amendment.

We direct that, not later than March 15, 2015, the Secretary of Defense shall provide the congressional defense committees a briefing (in classified form, if appropriate) on the following:

(1) An assessment of the military to military engagements between the United States and the People's Republic of China in the previous 12 months, before March 15, 2015, including an assessment of the success of such engagements in meeting the objectives of the Commander of the United States Pacific Command for such engagements; and

(2) A detailed description of all planned and potential military to military engagements between the United States and the People's Republic of China for the next 12 months, after March 15, 2015, including the objectives of such engagements.

Section 1259B of H.R. 3979/P.L. 113-291 states:

SEC. 1259B. MODIFICATION OF MATTERS FOR DISCUSSION IN ANNUAL REPORTS OF UNITED STATES-CHINA ECONOMIC AND SECURITY REVIEW COMMISSION.

(a) Matters for Discussion.—Section 1238(c)(2) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by P.L. 106-398; 22 U.S.C. 7002(c)(2)) is amended by striking subparagraphs (A) through (J) and inserting the following new subparagraphs:

``(A) The role of the People's Republic of China in the proliferation of weapons of mass destruction and other weapon systems (including systems and technologies of a dual use nature), including actions the United States might take to encourage the People's Republic of China to cease such practices.

``(B) The qualitative and quantitative nature of the transfer of United States production activities to the People's Republic of China, including the relocation of manufacturing, advanced technology and intellectual property, and research and development facilities, the impact of such transfers on the national security of the United States (including the dependence of the national security industrial base of the United States on imports from China), the economic security of the United States, and employment in the United States, and the adequacy of United States export control laws in relation to the People's Republic of China.

``(C) The effects of the need for energy and natural resources in the People's Republic of China on the foreign and military policies of the People's Republic of China, the impact of the large and growing economy of the People's Republic of China on world energy and natural resource supplies, prices, and the environment, and the role the United States can play (including through joint research and development efforts and technological assistance) in influencing the energy and natural resource policies of the People's Republic of China.

``(D) Foreign investment by the United States in the People's Republic of China and by the People's Republic of China in the United States, including an assessment of its economic

and security implications, the challenges to market access confronting potential United States investment in the People's Republic of China, and foreign activities by financial institutions in the People's Republic of China.

``(E) The military plans, strategy and doctrine of the People's Republic of China, the structure and organization of the People's Republic of China military, the decision-making process of the People's Republic of China military, the interaction between the civilian and military leadership in the People's Republic of China, the development and promotion process for leaders in the People's Republic of China military, deployments of the People's Republic of China military, resources available to the People's Republic of China military (including the development and execution of budgets and the allocation of funds), force modernization objectives and trends for the People's Republic of China military, and the implications of such objectives and trends for the national security of the United States.

``(F) The strategic economic and security implications of the cyber capabilities and operations of the People's Republic of China.

``(G) The national budget, fiscal policy, monetary policy, capital controls, and currency management practices of the People's Republic of China, their impact on internal stability the People's Republic of China, and their implications for the United States.

``(H) The drivers, nature, and implications of the growing economic, technological, political, cultural, people-to-people, and security relations of the People's Republic of China's with other countries, regions, and international and regional entities (including multilateral organizations), including the relationship among the United States, Taiwan, and the People's Republic of China.

``(I) The compliance of the People's Republic of China with its commitments to the World Trade Organization, other multilateral commitments, bilateral agreements signed with the United States, commitments made to bilateral science and technology programs, and any other commitments and agreements strategic to the United States (including agreements on intellectual property rights and prison labor imports), and United States enforcement policies with respect to such agreements.

``(J) The implications of restrictions on speech and access to information in the People's Republic of China for its relations with the United States in economic and security policy, as well as any potential impact of media control by the People's Republic of China on United States economic interests.

``(K) The safety of food, drug, and other products imported from China, the measures used by the People's Republic of China Government and the United States Government to monitor and enforce product safety, and the role the United States can play (including through technical assistance) to improve product safety in the People's Republic of China.''.

(b) Effective Date.—The amendments made by subsection (a) shall take effect on the date of the enactment of this Act, and shall apply with respect to annual reports submitted under section 1238(c) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 after such date of enactment.

Section 1274 of H.R. 3979/P.L. 113-291 states:

SEC. 1274. UNITED STATES STRATEGY AND PLANS FOR ENHANCING SECURITY AND STABILITY IN EUROPE.

(a) Review.—The Secretary of Defense shall conduct a review of the force posture, readiness, and responsiveness of United States forces and the forces of other members of the North Atlantic Treaty Organization (NATO) in the area of responsibility of the United States European Command, and of contingency plans for such United States forces, with the objective of ensuring that the posture, readiness, and responsiveness of such forces are appropriate to meet the obligations of collective self-defense under Article V of the North Atlantic Treaty. The review shall include an assessment of the capabilities and capacities needed by the Armed Forces of the United States to respond to unconventional or hybrid warfare tactics like those used by the Russian Federation in Crimea and Eastern Ukraine.

(b) United States Strategy and Plans.—

(1) Report on strategy and plans required.—Not later than 120 days after the date of the enactment of this Act, the Secretary of Defense shall, in coordination with the Secretary of State, submit to the appropriate committees of Congress a report on a strategy and plans for enhancing security and stability in Europe.

(2) Elements.—The report required by this subsection shall include the following:

(A) A summary of the relevant findings of the review conducted under subsection (a).

(B) A description of any initiatives or recommendations of the Secretary of Defense for enhancing the force posture, readiness, and responsiveness of United States forces in the area of responsibility of the United States European Command as a result of the review.

(C) A description of any initiatives of other members of NATO for enhancing the force posture, readiness, and responsiveness of their forces within the area of responsibility of NATO.

(D) A plan for reassuring Central European and Eastern European members of NATO regarding the commitment of the United States and other members of NATO to their obligations under the North Atlantic Treaty, including collective defense under Article V, including the following:

(i) A description of measures to be undertaken by the United States to reassure members of NATO regarding the commitment of the United States to its obligations under the North Atlantic Treaty.

(ii) A description of measures undertaken or to be undertaken by other members of NATO to provide assurances of their commitment to meet their obligations under the North Atlantic Treaty.

(iii) A description of any planned measures to increase the presence of the Armed Forces of the United States and the forces of other members of NATO, including on a rotational basis, on the territories of the Central European and Eastern European members of NATO.

(iv) A description of the measures undertaken by the United States and other members of NATO to enhance the capability of members of NATO to respond to tactics like those used by the Russian Federation in Crimea and Eastern Ukraine or to assist members of NATO in responding to such tactics.

(E) A plan for enhancing bilateral and multilateral security cooperation with appropriate countries participating in the NATO Partnership for Peace program using the authorities for enhancing security cooperation specified in subsection (c), which plan shall include the following:

(i) An identification of the objectives and priorities of such United States security assistance and cooperation programs, on a bilateral and regional basis, and the resources required to achieve such objectives and priorities.

(ii) A methodology for evaluating the effectiveness of such United States security assistance and cooperation programs, bilaterally and regionally, in making progress toward identified objectives and priorities.

(3) Form.—The report required by this subsection shall be submitted in an unclassified form, but may include a classified annex.

(c) Authorities for Enhancing Security Cooperation.—The authorities for enhancing security cooperation specified in this subsection include the following:

(1) Section 168 of title 10, United States Code, relating to the Warsaw Initiative Fund.

(2) Section 2282 of title 10, United States Code (as added by section 1205 of this Act), relating to authority to build the capacity of foreign military forces.

(3) Section 1206 of this Act, relating to training of security forces and associated ministries of foreign countries to promote respect for the rule of law and human rights.

(4) Section 1081 of the National Defense Authorization Act for Fiscal Year 2012 (10 U.S.C. 168 note), relating to the Ministry of Defense Advisors program.

(5) Section 1207 of the National Defense Authorization Act for Fiscal Year 2012 (22 U.S.C. 2151 note), relating to the Global Security Contingency Fund.

(6) Any other authority available to the Secretary of Defense or Secretary of State appropriate for the purpose of this section.

(d) Appropriate Committees of Congress Defined.—In this section, the term "appropriate committees of Congress" means—

(1) the Committee on Armed Services, the Committee on Foreign Relations, and the Committee on Appropriations of the Senate; and

(2) the Committee on Armed Services, the Committee on Foreign Affairs, and the Committee on Appropriations of the House of Representatives.

Regarding Section 1274, the joint explanatory statement for H.R. 3979/P.L. 113-291 states:

United States strategy and plans for enhancing security and stability in Europe (sec. 1274)

The Senate committee-reported bill contained a provision (sec. 1242) that would require the Secretary of Defense, in consultation with the Secretary of State, to submit to the appropriate congressional committees a strategy for enhancing security and stability in Europe.

The House bill contained no similar provision.

The agreement includes the Senate provision with an amendment that would require the Secretary of Defense to conduct a review of the force posture, readiness, and responsiveness of U.S. forces and the forces of other North Atlantic Treaty Organization (NATO) members in Europe, and the contingency plans for those U.S. forces, to ensure they are appropriate to

meet the obligation of collective self-defense under the North Atlantic Treaty. The amendment would also require the Secretary of Defense, in coordination with the Secretary of State, to submit a report to the appropriate committees of Congress on a strategy and plans for enhancing security and stability in Europe. The report would include a plan for reassuring NATO members regarding the U.S. and NATO commitments to collective self-defense under the North Atlantic Treaty, and a plan on enhancing U.S. security cooperation with NATO partner nations.

We expect that at the time the report required under this section is submitted, the Department of Defense will brief the Armed Services Committees of the Senate and the House of Representatives on the findings of the review, including those relating to U.S. contingency plans. We also expect the Secretary of Defense, in developing the plan on enhancing U.S. security cooperation with NATO partner nations, to take into consideration a partner nation's commitment to upholding and enhancing regional security and stability. (pdf pages 222-223 of 513)

Section 1535 of H.R. 3979/P.L. 113-291 states:

SEC. 1535. EUROPEAN REASSURANCE INITIATIVE.

(a) Total Amount and Authorized Purposes of ERI.—The $1,000,000,000 authorized to be appropriated in sections 1502, 1504, 1505, 1511, and 2904 for fiscal year 2015 for the European Reassurance Initiative, as specified in the funding tables in sections 4102, 4302, 4402, 4502, and 4602, may be used by the Secretary of Defense solely for the following purposes:

(1) Activities to increase the presence of the United States Armed Forces in Europe.

(2) Bilateral and multilateral military exercises and training with allies and partner nations in Europe.

(3) Activities to improve infrastructure in Europe to enhance the responsiveness of the United States Armed Forces.

(4) Activities to enhance the prepositioning in Europe of equipment of the United States Armed Forces.

(5) Activities to build the defense and security capacity of allies and partner nations in Europe.

(b) Activities to Build Defense and Security Capacity of Allies and Partner Nations.—Of the funds made available for the European Reassurance Initiative that will be used for the purpose specified in subsection (a)(5)—

(1) not less than $75,000,000 shall be available to be used for programs, activities, and assistance to support the Government of Ukraine;

(2) not less than $30,000,000 shall be available to be used for programs and activities to build the capacity of European allies and partner nations; and

(3) the Secretary of Defense may transfer the funds to support activities conducted under the authorities of the Department of Defense specified in section 1274(c) of this Act.

(c) Transfer Requirements Related to Certain Funds.—

(1) Use of funds only pursuant to transfer.—In the case of the funds authorized to be appropriated in section 1511 for the European Reassurance Initiative Fund, as specified in the funding tables in section 4502, the funds may be used for the purposes specified in subsection (a) only pursuant to a transfer of the funds to either or both of the following accounts of the Department of Defense:

(A) Military personnel accounts.

(B) Operation and maintenance accounts.

(2) Effect on authorization amounts.—During fiscal years 2015 and 2016, the transfer of an amount made available for the European Reassurance Initiative to an account under the authority provided by paragraph (1) or subsection (b)(3) shall be deemed to increase the amount authorized for such account by an amount equal to the amount transferred.

(3) Construction with other transfer authority.—The transfer authority provided by paragraph (1) and subsection (b)(3) is in addition to any other transfer authority available to the Department of Defense.

(d) Notification Requirements.—Not later than 15 days before that date on which a transfer of funds under subsection (b)(3) or (c)(1) takes effect, the Secretary of Defense shall notify the congressional defense committees in writing of the planned transfer. Each notice of a transfer of funds shall include the following:

(1) A detailed description of the project or activity to be supported by the transfer of funds, including any request of the Commander of the United States European Command for support, urgent operational need, or emergent operational need.

(2) The amount planned to be transferred and expended on such project or activity.

(3) A timeline for expenditure of the transferred funds.

(e) Duration of Transfer Authority.—The transfer authority provided by subsections (b)(3) and (c)(1) expires September 30, 2016.

Regarding Section 1535, the joint explanatory statement for H.R. 3979/P.L. 113-291 states:

European Reassurance Initiative (sec. 1535)

A proposed amendment to the Senate committee-reported bill (amendment number 3875) contained a provision (sec. 1527) that would specify the purposes for which amounts authorized to be appropriated for the European Reassurance Initiative (ERI) could be used and provide other limitations on the use of such funds.

The House bill contained no similar provision.

The agreement includes the Senate provision with an amendment clarifying that for fiscal year 2015 $1.0 billion is authorized to be appropriated in Overseas Contingency Operations funds for the ERI. The amendment would also provide that of these funds not less than $75.0 million would be available for programs, activities, and assistance to support Ukraine, and not less than $30.0 million would be available for programs and activities to build the capacity of European allies and partner nations. Amounts specified for the ERI fund would be available for the purposes of ERI through September 30, 2016.

> We are deeply concerned about the ongoing violations of Ukraine's sovereignty and territorial integrity and note that a provision in another section of this title expresses the sense of Congress in support of providing Ukraine military assistance, both non-lethal and lethal assistance, that is defensive and non-provocative.
>
> We are also concerned about the potential spread of the unconventional and hybrid warfare tactics used by Russia in Ukraine to other countries in the region, potentially including the Baltic countries, Moldova, and Georgia. We urge the Secretary of Defense to devote the appropriate level of planning and resources, including resources under the ERI, to countering the threat posed by these unconventional and hybrid warfare tactics. (pdf pages 256-257 of 513)

FY2015 DOD Appropriations Act (Division C of H.R. 83/P.L. 113-235)

The FY2015 DOD Appropriations Act (Division C of H.R. 83/P.L. 113-235 of December 16, 2014) includes the following appropriation in the section that makes appropriations for operations and maintenance for Overseas Contingency Operations (Title IX):

> European Reassurance Initiative
>
> (including transfer of funds)
>
> For the "European Reassurance Initiative", $175,000,000, to remain available until September 30, 2015: *Provided*, That such funds shall be available under the authority provided to the Department of Defense by any other provision of law, for programs, activities, and assistance to provide support to the Governments of Ukraine, Estonia, Lithuania and Latvia, including the provision of training, equipment, and logistical supplies, support, and services, and the payment of incremental expenses of the Armed Forces associated with prepositioning additional equipment and undertaking additional or extended deployments in such countries and adjacent waters: *Provided further*, That the Secretary of Defense shall transfer the funds provided herein to other appropriations provided for in this Act to be merged with and to be available for the same purposes and for the same time period as the appropriation to which transferred: *Provided further*, That the Secretary of Defense shall, not fewer than 15 days prior to transferring amounts from this appropriation, notify the congressional defense committees in writing of the details of any such transfer: *Provided further*, That upon a determination by the Secretary of Defense that all or part of the funds transferred from this appropriation are not necessary for the purposes herein, such amounts may be transferred back to the appropriation and shall be available for the same purposes and for the same time period as originally appropriated: *Provided further*, That the transfer authority provided under this heading is in addition to any other transfer authority provided elsewhere in this Act: *Provided further*, That such amount is designated by the Congress for Overseas Contingency Operations/Global War on Terrorism pursuant to section 251(b)(2)(A)(ii) of the Balanced Budget and Emergency Deficit Control Act of 1985.

FY2015 Military Construction and Veterans Affairs, and Related Agencies Appropriations Act (Division I of H.R. 83/P.L. 113-235)

The FY2015 Military Construction and Veterans Affairs, and Related Agencies Appropriations Act (Division I of H.R. 83/P.L. 113-235 of December 16, 2014) includes the following

appropriation in the section that makes appropriations for Department of Defense overseas contingency operations (Title IV):

> European Reassurance Initiative Military Construction
>
> For an additional amount for "Military Construction, Army", "Military Construction, Air Force", and "Military Construction, Defense-Wide", $175,000,000 to remain available until September 30, 2017, for military construction (including planning and design) for projects associated with the European Reassurance Initiative: *Provided*, That such amount is designated by the Congress for Overseas Contingency Operations/Global War on Terrorism pursuant to section 251(b)(2)(A)(ii) of the Balanced Budget and Emergency Deficit Control Act of 1985: *Provided further*, That none of the funds provided under this heading may be obligated or expended until the Secretary of Defense submits to the Committees on Appropriations of both Houses of Congress: (1) a final spending plan for the European Reassurance Initiative military construction projects, and (2) the relevant Department of Defense Form 1391 for each project prior to the execution of that project.

Asia-Pacific Region Priority Act (H.R. 4495)

H.R. 4495, introduced on April 28, 2014, is a bill to "strengthen the United States commitment to the security and stability of the Asia-Pacific region, and for other purposes." The table of contents of the bill, as presented in Section 1 of the bill, is as follows:

> SECTION 1. SHORT TITLE; TABLE OF CONTENTS.
>
> (a) Short Title- This Act may be cited as the `Asia-Pacific Region Priority Act'.
>
> (b) Table of Contents- The table of contents for this Act is as follows:
>
> Sec. 1. Short title; table of contents.
>
> Sec. 2. Sense of Congress.
>
> Sec. 3. Congressional defense committees.
>
> TITLE I—MATTERS RELATING TO THE DEPARTMENT OF DEFENSE
>
> Sec. 101. Report on Department of Defense munitions strategy for United States Pacific Command.
>
> Sec. 102. Establishment of Department of Defense unmanned systems office.
>
> Sec. 103. Independent assessment on countering anti-access and area-denial capabilities in the Asia-Pacific region.
>
> Sec. 104. Assessment of the maritime balance of forces in the Asia-Pacific region.
>
> Sec. 105. Missile defense cooperation.
>
> Sec. 106. Department of Defense Space Security and Defense Program.
>
> Sec. 107. Space situational awareness.

Sec. 108. Sense of Congress on access to training ranges within United States Pacific Command area of responsibility.

Sec. 109. Sense of Congress on Pohakuloa Training Area in Hawaii.

Sec. 110. Special easement acquisition authority, Pacific Missile Range Facility, Barking Sands, Kauai, Hawaii.

TITLE II—MATTERS RELATING TO FOREIGN NATIONS

Sec. 201. Statement of policy on maritime disputes in the Asia-Pacific region.

Sec. 202. Sense of Congress reaffirming security commitment to Japan.

Sec. 203. Report on opportunities to strengthen relationship between the United States and the Republic of Korea.

Sec. 204. Maritime capabilities of Taiwan and its contribution to regional peace and stability.

Sec. 205. Modifications to annual report on military and security developments involving the People's Republic of China.

H.Res. 704

H.Res. 704, a resolution "Reaffirming the strong support of the United States Government for freedom of navigation and other internationally lawful uses of sea and airspace in the Asia-Pacific region, and for the peaceful diplomatic resolution of outstanding territorial and maritime claims and disputes," was introduced on July 31, 2014. The text of the resolution as introduced is as follows:

RESOLUTION

Reaffirming the strong support of the United States Government for freedom of navigation and other internationally lawful uses of sea and airspace in the Asia-Pacific region, and for the peaceful diplomatic resolution of outstanding territorial and maritime claims and disputes.

Whereas Asia-Pacific's maritime domains, which include both the sea and airspace above the domains, are critical to the region's prosperity, stability, and security, including global commerce;

Whereas the United States is a longstanding Asia-Pacific power and has a national interest in maintaining freedom of operations in international waters and airspace both in the Asia-Pacific region and around the world;

Whereas, for over 60 years, the United States Government, alongside United States allies and partners, has played an instrumental role in maintaining stability in the Asia-Pacific, including safeguarding the prosperity and economic growth and development of the Asia-Pacific region;

Whereas the United States, from the earliest days of the Republic, has had a deep and abiding national security interest in freedom of navigation, freedom of the seas, respect for

international law, and unimpeded lawful commerce, including in the East China and South China Seas;

Whereas the United States alliance relationships in the region, including with Japan, Korea, Australia, the Philippines, and Thailand, are at the heart of United States policy and engagement in the Asia-Pacific region, and share a common approach to supporting the maintenance of peace and stability, freedom of navigation, and other internationally lawful uses of sea and airspace in the Asia-Pacific region;

Whereas territorial and maritime claims must be derived from land features and otherwise comport with international law;

Whereas the United States Government has a clear interest in encouraging and supporting the nations of the region to work collaboratively and diplomatically to resolve disputes and is firmly opposed to coercion, intimidation, threats, or the use of force;

Whereas the South China Sea contains great natural resources, and their stewardship and responsible use offers immense potential benefit for generations to come;

Whereas the United States is not a claimant party in either the East China or South China Seas, but does have an interest in the peaceful diplomatic resolution of disputed claims in accordance with international law, in freedom of operations, and in the free-flow of commerce free of coercion, intimidation, or the use of force;

Whereas the United States supports the obligation of all members of the United Nations to seek to resolve disputes by peaceful means;

Whereas freedom of navigation and other lawful uses of sea and airspace in the Asia-Pacific region are embodied in international law, not granted by certain states to others;

Whereas, on November 23, 2013, the People's Republic of China unilaterally and without prior consultations with the United States, Japan, the Republic of Korea or other nations of the Asia-Pacific region, declared an Air Defense Identification Zone (ADIZ) in the East China Sea, also announcing that all aircraft entering the PRC's self-declared ADIZ, even if they do not intend to enter Chinese territorial airspace, would have to submit flight plans, maintain radio contact, and follow directions from the Chinese Ministry of National Defense or face `emergency defensive measures';

Whereas the `rules of engagement' declared by China, including the `emergency defensive measures', are in violation of the concept of `due regard for the safety of civil aviation' under the International Civil Aviation Organization's Chicago Convention and thereby are a departure from accepted practice;

Whereas the Chicago Convention of the International Civil Aviation Organization distinguishes between civilian aircraft and state aircraft and provides for the specific obligations of state parties, consistent with customary law, to `refrain from resorting to the use of weapons against civil aircraft in flight and ... in case of interception, the lives of persons on board and the safety of aircraft must not be endangered';

Whereas international civil aviation is regulated by international agreements, including standards and regulations set by ICAO for aviation safety, security, efficiency and regularity, as well as for aviation environmental protection;

Whereas, in accordance with the norm of airborne innocent passage, the United States does not recognize the right of a coastal nation to apply its ADIZ procedures to foreign state

aircraft not intending to enter national airspace nor does the United States apply its ADIZ procedures to foreign state aircraft not intending to enter United States airspace;

Whereas the United States Government expressed profound concerns with China's unilateral, provocative, dangerous, and destabilizing declaration of such a zone, including the potential for misunderstandings and miscalculations by aircraft operating lawfully in international airspace;

Whereas the People's Republic of China's declaration of an ADIZ in the East China Sea will not alter how the United States Government conducts operations in the region or the unwavering United States commitment to peace, security and stability in the Asia-Pacific region;

Whereas the Government of Japan expressed deep concern about the People's Republic of China's declaration of such a zone, regarding it as an effort to unduly infringe upon the freedom of flight in international airspace and to change the status quo that could escalate tensions and potentially cause unintentional consequences in the East China Sea;

Whereas the Government of the Republic of Korea has expressed concern over China's declared ADIZ, and on December 9, 2013, announced an adjustment to its longstanding Air Defense Identification Zone, which does not encompass territory administered by another country, and did so only after undertaking a deliberate process of consultations with the United States, Japan, and China;

Whereas the Government of the Philippines has stressed that China's declared ADIZ seeks to transfer an entire air zone into Chinese domestic airspace, infringes on freedom of flight in international airspace, and compromises the safety of civil aviation and the national security of affected states, and has called on China to ensure that its actions do not jeopardize regional security and stability;

Whereas, on November 26, 2013, the Government of Australia made clear in a statement its opposition to any coercive or unilateral actions to change the status quo in the East China Sea;

Whereas, on March 10, 2014, the United States Government and the Government of Japan jointly submitted a letter to the ICAO Secretariat regarding the issue of freedom of overflight by civil aircraft in international airspace and the effective management of civil air traffic within allocated Flight Information Regions (FIR);

Whereas Indonesia Foreign Minister Marty Natalegawa, in a hearing before the Committee on Defense and Foreign Affairs on February 18, 2014, stated, `We have firmly told China we will not accept a similar [Air Defense Identification] Zone if it is adopted in the South China Sea. And the signal we have received thus far is, China does not plan to adopt a similar Zone in the South China Sea.';

Whereas over half the world's merchant tonnage flows through the South China Sea, and over 15,000,000 barrels of oil per day transit the Strait of Malacca, fueling economic growth and prosperity throughout the Asia-Pacific region;

Whereas the increasing frequency and assertiveness of patrols and competing regulations over disputed territory and maritime areas and airspace in the South China Sea and the East China Sea are raising tensions and increasing the risk of confrontation;

Whereas the Association of Southeast Asian Nations (ASEAN) has promoted multilateral talks on disputed areas without settling the issue of sovereignty, and in 2002 joined with

China in signing a Declaration on the Conduct of Parties in the South China Sea that committed all parties to those territorial disputes to `reaffirm their respect for and commitment to the freedom of navigation in and over flight above the South China Sea as provided for by the universally recognized principles of international law' and to `resolve their territorial and jurisdictional disputes by peaceful means, without resorting to the threat or use of force';

Whereas ASEAN and China committed in 2002 to develop an effective Code of Conduct when they adopted the Declaration on the Conduct of Parties in the South China Sea, yet negotiations are irregular and little progress has been made;

Whereas, in recent years, there have been numerous dangerous and destabilizing incidents in waters near the coasts of the Philippines, China, Malaysia, and Vietnam;

Whereas the United States Government is deeply concerned about unilateral actions by any claimant seeking to change the status quo through the use of coercion, intimidation, or military force, including the continued restrictions on access to Scarborough Reef and pressure on long-standing Philippine presence at the Second Thomas Shoal by the People's Republic of China; actions by any state to prevent any other state from exercising its sovereign rights to the resources of the exclusive economic zone (EEZ) and continental shelf by making claims to those areas that have no support in international law; declarations of administrative and military districts in contested areas in the South China Sea; and the imposition of new fishing regulations covering disputed areas, which have raised tensions in the region;

Whereas international law is important to safeguard the rights and freedoms of all states in the Asia-Pacific region, and the lack of clarity in accordance with international law by claimants with regard to their South China Sea claims can create uncertainty, insecurity, and instability;

Whereas the United States Government opposes the use of intimidation, coercion, or force to assert a territorial claim in the South China Sea;

Whereas claims in the South China Sea must accord with international law, and those that are not derived from land features are fundamentally flawed;

Whereas ASEAN issued Six-Point Principles on the South China Sea on July 20, 2012, whereby ASEAN's Foreign Ministers reiterated and reaffirmed `the commitment of ASEAN Member States to: ... 1. the full implementation of the Declaration on the Conduct of Parties in the South China Sea (2002); ... 2. the Guidelines for the Implementation of the Declaration on the Conduct of Parties in the South China Sea (2011); ... 3. the early conclusion of a Regional Code of Conduct in the South China Sea; ... 4. the full respect of the universally recognized principles of International Law, including the 1982 United Nations Convention on the Law of the Sea (UNCLOS); ... 5. the continued exercise of self-restraint and non-use of force by all parties; and ... 6. the peaceful resolution of disputes, in accordance with universally recognized principles of International Law, including the 1982 United Nations Convention on the Law of the Sea (UNCLOS).';

Whereas, in 2013, the Republic of the Philippines properly exercised its rights to peaceful settlement mechanisms with the filing of arbitration case under Article 287 and Annex VII of the Convention on the Law of the Sea in order to achieve a peaceful and durable solution to the dispute, and the United States hopes that all parties in any dispute ultimately abide by the rulings of internationally recognized dispute-settlement bodies;

Whereas China and Japan are the world's second and third largest economies, and have a shared interest in preserving stable maritime domains to continue to support economic growth;

Whereas there has been an unprecedented increase in dangerous activities by Chinese maritime agencies in areas near the Senkaku islands, including between 6 and 25 ships of the Government of China intruding into the Japanese territorial sea each month since September 2012, between 26 and 124 ships entering the `contiguous zone' in the same time period, and 9 ships intruding into the territorial sea and 33 ships entering in the contiguous zone in February 2014;

Whereas, although the United States Government does not take a position on the ultimate sovereignty of the Senkaku Islands, the United States Government acknowledges that they are under the administration of Japan and opposes any unilateral actions that would seek to undermine such administration;

Whereas the United States Senate has previously affirmed that the unilateral actions of a third party will not affect the United States acknowledgment of the administration of Japan over the Senkaku Islands;

Whereas the United States remains committed under the Treaty of Mutual Cooperation and Security to respond to any armed attack in the territories under the administration of Japan, has urged all parties to take steps to prevent incidents and manage disagreements through peaceful means, and commends the Government of Japan for its restrained approach in this regard;

Whereas both the United States and the People's Republic of China are parties to and are obligated to observe the rules of the Convention on the International Regulations for Preventing Collisions at Sea, done at London October 12, 1972 (COLREGs);

Whereas, on December 5, 2013, the USS Cowpens was lawfully operating in international waters in the South China Sea when a People's Liberation Army Navy vessel reportedly crossed its bow at a distance of less than 500 yards and stopped in the water, forcing the USS Cowpens to take evasive action to avoid a collision;

Whereas the reported actions taken by the People's Liberation Army Navy vessel in the USS Cowpens' incident, as publicly reported, appear contrary to the international legal obligations of the People's Republic of China under COLREGs;

Whereas, on May 1, 2014, the People's Republic of China's state-owned energy company, CNOOC, placed its deepwater semi-submersible drilling rig Hai Yang Shi You 981 (HD-981), accompanied by over 25 Chinese ships, in Block 143, 120 nautical miles off Vietnam's coastline;

Whereas, from May 1 to May 9, 2014, the number of Chinese vessels escorting HD-981 increased to more than 80, including seven military ships, which aggressively patrolled and intimidated Vietnamese Coast Guard ships in violation of COLREGs, reportedly intentionally rammed multiple Vietnamese vessels, and used helicopters and water cannons to obstruct others;

Whereas, on May 5, 2014, vessels from the Maritime Safety Administration of China (MSAC) established an exclusion zone with a radius of three nautical miles around HD-981, which undermines maritime safety in the area and is in violation of universally recognized principles of International Law, including the 1982 United Nations Convention on the Law of the Sea (UNCLOS);

Whereas the People's Republic of China is looking to expand its presence in the contested Spratly archipelago by means of land reclamation in an effort to add several new islands to the existing Johnston South Reef;

Whereas, on January 19, 1998, the United States and People's Republic of China signed the Military Maritime Consultative Agreement, creating a mechanism for consultation and coordination on operational safety issues in the maritime domain between the United States and the People's Republic of China;

Whereas the Western Pacific Naval Symposium, inaugurated in 1988 and comprising the navies of Australia, Brunei, Cambodia, Canada, Chile, France, Indonesia, Japan, Malaysia, New Zealand, Papua New Guinea, the People's Republic of China, the Philippines, the Republic of Korea, the Russian Federation, Singapore, Thailand, Tonga, the United States, and Vietnam, whose countries all border the Pacific Ocean region, provides a forum where leaders of regional navies can meet to discuss cooperative initiatives, discuss regional and global maritime issues, and undertake exercises to strengthen norms and practices that contribute to operational safety, including protocols for unexpected encounters at sea, common ways of communication, common ways of operating, and common ways of engagement;

Whereas, Japan and the People's Republic of China sought to negotiate a Maritime Communications Mechanism between the defense authorities and a Maritime Search and Rescue Agreement and agreed in principle to these agreements to address operational safety on the maritime domains but failed to sign them;

Whereas the Changi Command and Control Center in Singapore provides a platform for all the countries of the Western Pacific to share information on what kind of contact at sea occurs and to provide a common operational picture for the region;

Whereas 2014 commemorates the 35th anniversary of normalization of diplomatic relations between the United States and the People's Republic of China, and the United States welcomes the development of a peaceful and prosperous China that becomes a responsible international stakeholder, the government of which respects international norms, international laws, international institutions, and international rules; enhances security and peace; and seeks to advance relations between the United States and China; and

Whereas ASEAN plays an important role, in partnership with others in the regional and international community, in addressing maritime security issues in the Asia-Pacific region and the Indian Ocean, including open access to the maritime domain of Asia; Now, therefore, be it

Resolved,

SECTION 1. SENSE OF THE HOUSE OF REPRESENTATIVES.

The House of Representatives—

(1) condemns coercive and threatening actions or the use of force to impede freedom of operations in international airspace by military or civilian aircraft, to alter the status quo or to destabilize the Asia-Pacific region;

(2) urges the Government of the People's Republic of China to refrain from implementing the declared East China Sea Air Defense Identification Zone (ADIZ), which is contrary to freedom of overflight in international airspace, and to refrain from taking similar provocative actions elsewhere in the Asia-Pacific region; and

(3) commends the Governments of Japan and of the Republic of Korea for their restraint, and commends the Government of the Republic of Korea for engaging in a deliberate process of consultations with the United States, Japan and China prior to announcing its adjustment of its Air Defense Identification Zone on December 9, 2013, and for its commitment to implement this adjusted Air Defense Identification Zone (ADIZ) in a manner consistent with international practice and respect for the freedom of overflight and other internationally lawful uses of international airspace.

SEC. 2. STATEMENT OF POLICY.

It is the policy of the United States to—

(1) reaffirm its unwavering commitment and support for allies and partners in the Asia-Pacific region, including longstanding United States policy regarding Article V of the United States-Philippines Mutual Defense Treaty and that Article V of the United States-Japan Mutual Defense Treaty applies to the Japanese-administered Senkaku Islands;

(2) oppose claims that impinge on the rights, freedoms, and lawful use of the sea that belong to all nations;

(3) urge all parties to refrain from engaging in destabilizing activities, including illegal occupation or efforts to unlawfully assert administration over disputed claims;

(4) ensure that disputes are managed without intimidation, coercion, or force;

(5) call on all claimants to clarify or adjust claims in accordance with international law;

(6) support efforts by ASEAN and the People's Republic of China to develop an effective Code of Conduct, including the `early harvest' of agreed-upon elements in the Code of Conduct that can be implemented immediately;

(7) reaffirm that an existing body of international rules and guidelines, including the International Regulations for Preventing Collisions at Sea, done at London October 12, 1972 (COLREGs), is sufficient to ensure the safety of navigation between the United States Armed Forces and the forces of other countries, including the People's Republic of China;

(8) support the development of regional institutions and bodies, including the ASEAN Regional Forum, the ASEAN Defense Minister's Meeting Plus, the East Asia Summit, and the expanded ASEAN Maritime Forum, to build practical cooperation in the region and reinforce the role of international law;

(9) encourage the adoption of mechanisms such as hotlines or emergency procedures for preventing incidents in sensitive areas, managing them if they occur, and preventing disputes from escalating;

(10) fully support the rights of claimants to exercise rights they may have to avail themselves of peaceful dispute settlement mechanisms;

(11) encourage claimants not to undertake new unilateral attempts to change the status quo since the signing of the 2002 Declaration of Conduct, including not asserting administrative measures or controls in disputed areas in the South China Sea;

(12) encourage the deepening of partnerships with other countries in the region for maritime domain awareness and capacity building, as well as efforts by the United States Government

to explore the development of appropriate multilateral mechanisms for a `common operating picture' in the South China Sea that would serve to help countries avoid destabilizing behavior and deter risky and dangerous activities;

(13) establish and implement a policy framework with the Government of Vietnam reflecting both the progress in and challenges that remain regarding Vietnam's human rights record as well as the vital national security interests the United States has in deepening and expanding the comprehensive partnership with Vietnam through the sale or transfer of United States defense articles appropriate for the development and maintenance of Vietnam's external defense capabilities, excluding those items that can be used to suppress protesters, for crowd control, or for other domestic security purposes; and

(14) assure the continuity of operations by the United States in the Asia-Pacific region, including, when appropriate, in cooperation with partners and allies, to reaffirm the principle of freedom of operations in international waters and airspace in accordance with established principles and practices of international law.

S.Res. 412 (Agreed to by the Senate)

S.Res. 412, a resolution "Reaffirming the strong support of the United States Government for freedom of navigation and other internationally lawful uses of sea and airspace in the Asia-Pacific region, and for the peaceful diplomatic resolution of outstanding territorial and maritime claims and dispute," was introduced on April 7, 2014. On May 20, 2014, it was reported by Senator Menendez with amendments and with an amended preamble, and without a written report. On July 10, it was agreed to in the Senate with amendments and an amended preamble by unanimous consent. The text of the resolution as agreed to by the Senate is as follows:

RESOLUTION

Reaffirming the strong support of the United States Government for freedom of navigation and other internationally lawful uses of sea and airspace in the Asia-Pacific region, and for the peaceful diplomatic resolution of outstanding territorial and maritime claims and disputes.

Whereas Asia-Pacific's maritime domains, which include both the sea and airspace above the domains, are critical to the region's prosperity, stability, and security, including global commerce;

Whereas the United States is a longstanding Asia-Pacific power and has a national interest in maintaining freedom of operations in international waters and airspace both in the Asia-Pacific region and around the world;

Whereas for over 60 years, the United States Government, alongside United States allies and partners, has played an instrumental role in maintaining stability in the Asia-Pacific, including safeguarding the prosperity and economic growth and development of the Asia-Pacific region;

Whereas the United States, from the earliest days of the Republic, has had a deep and abiding national security interest in freedom of navigation, freedom of the seas, respect for international law, and unimpeded lawful commerce, including in the East China and South China Seas;

Whereas the United States alliance relationships in the region, including with Japan, Korea, Australia, the Philippines, and Thailand, are at the heart of United States policy and engagement in the Asia-Pacific region, and share a common approach to supporting the maintenance of peace and stability, freedom of navigation, and other internationally lawful uses of sea and airspace in the Asia-Pacific region;

Whereas territorial and maritime claims must be derived from land features and otherwise comport with international law;

Whereas the United States Government has a clear interest in encouraging and supporting the nations of the region to work collaboratively and diplomatically to resolve disputes and is firmly opposed to coercion, intimidation, threats, or the use of force;

Whereas the South China Sea contains great natural resources, and their stewardship and responsible use offers immense potential benefit for generations to come;

Whereas the United States is not a claimant party in either the East China or South China Seas, but does have an interest in the peaceful diplomatic resolution of disputed claims in accordance with international law, in freedom of operations, and in the free-flow of commerce free of coercion, intimidation, or the use of force;

Whereas the United States supports the obligation of all members of the United Nations to seek to resolve disputes by peaceful means;

Whereas freedom of navigation and other lawful uses of sea and airspace in the Asia-Pacific region are embodied in international law, not granted by certain states to others;

Whereas, on November 23, 2013, the People's Republic of China unilaterally and without prior consultations with the United States, Japan, the Republic of Korea or other nations of the Asia-Pacific region, declared an Air Defense Identification Zone (ADIZ) in the East China Sea, also announcing that all aircraft entering the PRC's self-declared ADIZ, even if they do not intend to enter Chinese territorial airspace, would have to submit flight plans, maintain radio contact, and follow directions from the Chinese Ministry of National Defense or face `emergency defensive measures';

Whereas the `rules of engagement' declared by China, including the `emergency defensive measures', are in violation of the concept of `due regard for the safety of civil aviation' under the Chicago Convention of the International Civil Aviation Organization and thereby are a departure from accepted practice;

Whereas the Chicago Convention of the International Civil Aviation Organization distinguishes between civilian aircraft and state aircraft and provides for the specific obligations of state parties, consistent with customary law, to `refrain from resorting to the use of weapons against civil aircraft in flight and ... in case of interception, the lives of persons on board and the safety of aircraft must not be endangered';

Whereas international civil aviation is regulated by international agreements, including standards and regulations set by ICAO for aviation safety, security, efficiency and regularity, as well as for aviation environmental protection;

Whereas, in accordance with the norm of airborne innocent passage, the United States does not recognize the right of a coastal nation to apply its ADIZ procedures to foreign state aircraft not intending to enter national airspace nor does the United States apply its ADIZ procedures to foreign state aircraft not intending to enter United States airspace;

Whereas the United States Government expressed profound concerns with China's unilateral, provocative, dangerous, and destabilizing declaration of such a zone, including the potential for misunderstandings and miscalculations by aircraft operating lawfully in international airspace;

Whereas the People's Republic of China's declaration of an ADIZ in the East China Sea will not alter how the United States Government conducts operations in the region or the unwavering United States commitment to peace, security and stability in the Asia-Pacific region;

Whereas the Government of Japan expressed deep concern about the People's Republic of China's declaration of such a zone, regarding it as an effort to unduly infringe upon the freedom of flight in international airspace and to change the status quo that could escalate tensions and potentially cause unintentional consequences in the East China Sea;

Whereas the Government of the Republic of Korea has expressed concern over China's declared ADIZ, and on December 9, 2013, announced an adjustment to its longstanding Air Defense Identification Zone, which does not encompass territory administered by another country, and did so only after undertaking a deliberate process of consultations with the United States, Japan, and China;

Whereas the Government of the Philippines has stressed that China's declared ADIZ seeks to transfer an entire air zone into Chinese domestic airspace, infringes on freedom of flight in international airspace, and compromises the safety of civil aviation and the national security of affected states, and has called on China to ensure that its actions do not jeopardize regional security and stability;

Whereas, on November 26, 2013, the Government of Australia made clear in a statement its opposition to any coercive or unilateral actions to change the status quo in the East China Sea;

Whereas, on March 10, 2014, the United States Government and the Government of Japan jointly submitted a letter to the ICAO Secretariat regarding the issue of freedom of overflight by civil aircraft in international airspace and the effective management of civil air traffic within allocated Flight Information Regions (FIR);

Whereas Indonesia Foreign Minister Marty Natalegawa, in a hearing before the Committee on Defense and Foreign Affairs on February 18, 2014, stated, `We have firmly told China we will not accept a similar [Air Defense Identification] Zone if it is adopted in the South China Sea. And the signal we have received thus far is, China does not plan to adopt a similar Zone in the South China Sea.';

Whereas over half the world's merchant tonnage flows through the South China Sea, and over 15,000,000 barrels of oil per day transit the Strait of Malacca, fueling economic growth and prosperity throughout the Asia-Pacific region;

Whereas the increasing frequency and assertiveness of patrols and competing regulations over disputed territory and maritime areas and airspace in the South China Sea and the East China Sea are raising tensions and increasing the risk of confrontation;

Whereas the Association of Southeast Asian Nations (ASEAN) has promoted multilateral talks on disputed areas without settling the issue of sovereignty, and in 2002 joined with China in signing a Declaration on the Conduct of Parties in the South China Sea that committed all parties to those territorial disputes to `reaffirm their respect for and commitment to the freedom of navigation in and over flight above the South China Sea as

provided for by the universally recognized principles of international law' and to `resolve their territorial and jurisdictional disputes by peaceful means, without resorting to the threat or use of force';

Whereas ASEAN and China committed in 2002 to develop an effective Code of Conduct when they adopted the Declaration on the Conduct of Parties in the South China Sea, yet negotiations are irregular and little progress has been made;

Whereas in recent years, there have been numerous dangerous and destabilizing incidents in waters near the coasts of the Philippines, China, Malaysia, and Vietnam;

Whereas the United States Government is deeply concerned about unilateral actions by any claimant seeking to change the status quo through the use of coercion, intimidation, or military force, including the continued restrictions on access to Scarborough Reef and pressure on long-standing Philippine presence at the Second Thomas Shoal by the People's Republic of China; actions by any state to prevent any other state from exercising its sovereign rights to the resources of the exclusive economic zone (EEZ) and continental shelf by making claims to those areas that have no support in international law; declarations of administrative and military districts in contested areas in the South China Sea; and the imposition of new fishing regulations covering disputed areas, which have raised tensions in the region;

Whereas international law is important to safeguard the rights and freedoms of all states in the Asia-Pacific region, and the lack of clarity in accordance with international law by claimants with regard to their South China Sea claims can create uncertainty, insecurity, and instability;

Whereas the United States Government opposes the use of intimidation, coercion, or force to assert a territorial claim in the South China Sea;

Whereas claims in the South China Sea must accord with international law, and those that are not derived from land features are fundamentally flawed;

Whereas ASEAN issued Six-Point Principles on the South China Sea on July 20, 2012, whereby ASEAN's Foreign Ministers reiterated and reaffirmed `the commitment of ASEAN Member States to: ... 1. the full implementation of the Declaration on the Conduct of Parties in the South China Sea (2002); ... 2. the Guidelines for the Implementation of the Declaration on the Conduct of Parties in the South China Sea (2011); ... 3. the early conclusion of a Regional Code of Conduct in the South China Sea; ... 4. the full respect of the universally recognized principles of International Law, including the 1982 United Nations Convention on the Law of the Sea (UNCLOS); ... 5. the continued exercise of self-restraint and non-use of force by all parties; and ... 6. the peaceful resolution of disputes, in accordance with universally recognized principles of International Law, including the 1982 United Nations Convention on the Law of the Sea (UNCLOS).';

Whereas, in 2013, the Republic of the Philippines properly exercised its rights to peaceful settlement mechanisms with the filing of arbitration case under Article 287 and Annex VII of the Convention on the Law of the Sea in order to achieve a peaceful and durable solution to the dispute, and the United States hopes that all parties in any dispute ultimately abide by the rulings of internationally recognized dispute-settlement bodies;

Whereas China and Japan are the world's second and third largest economies, and have a shared interest in preserving stable maritime domains to continue to support economic growth;

Whereas there has been an unprecedented increase in dangerous activities by Chinese maritime agencies in areas near the Senkaku islands, including between 6 and 25 ships of the Government of China intruding into the Japanese territorial sea each month since September 2012, between 26 and 124 ships entering the `contiguous zone' in the same time period, and 9 ships intruding into the territorial sea and 33 ships entering in the contiguous zone in February 2014;

Whereas although the United States Government does not take a position on the ultimate sovereignty of the Senkaku Islands, the United States Government acknowledges that they are under the administration of Japan and opposes any unilateral actions that would seek to undermine such administration;

Whereas the United States Senate has previously affirmed that the unilateral actions of a third party will not affect the United States acknowledgment of the administration of Japan over the Senkaku Islands;

Whereas the United States remains committed under the Treaty of Mutual Cooperation and Security to respond to any armed attack in the territories under the administration of Japan, has urged all parties to take steps to prevent incidents and manage disagreements through peaceful means, and commends the Government of Japan for its restrained approach in this regard;

Whereas both the United States and the People's Republic of China are parties to and are obligated to observe the rules of the Convention on the International Regulations for Preventing Collisions at Sea, done at London October 12, 1972 (COLREGs);

Whereas, on December 5, 2013, the USS Cowpens was lawfully operating in international waters in the South China Sea when a People's Liberation Army Navy vessel reportedly crossed its bow at a distance of less than 500 yards and stopped in the water, forcing the USS Cowpens to take evasive action to avoid a collision;

Whereas the reported actions taken by the People's Liberation Army Navy vessel in the USS Cowpens' incident, as publicly reported, appear contrary to the international legal obligations of the People's Republic of China under COLREGs;

Whereas, on May 1, 2014, the People's Republic of China's state-owned energy company, CNOOC, placed its deepwater semi-submersible drilling rig Hai Yang Shi You 981 (HD-981), accompanied by over 25 Chinese ships, in Block 143, 120 nautical miles off Vietnam's coastline;

Whereas from May 1 to May 9, 2014, the number of Chinese vessels escorting Hai Yang Shi You 981 (HD-981) increased to more than 80, including seven military ships, which aggressively patrolled and intimidated Vietnamese Coast Guard ships in violation of COLREGS, reportedly intentionally rammed multiple Vietnamese vessels, and used helicopters and water cannons to obstruct others;

Whereas, on May 5, 2014, vessels from the Maritime Safety Administration of China (MSAC) established an exclusion zone with a radius of three nautical miles around Hai Yang Shi You 981 (HD-981), which undermines maritime safety in the area and is in violation of universally recognized principles of international law;

Whereas China's territorial claims and associated maritime actions in support of the drilling activity that Hai Yang Shi You 981 (HD-981) commenced on May 1, 2014, have not been clarified under international law, constitute a unilateral attempt to change the status quo by

force, and appear to be in violation of the 2002 Declaration on the Conduct of Parties in the South China Sea;

Whereas, on January 19, 1998, the United States and People's Republic of China signed the Military Maritime Consultative Agreement, creating a mechanism for consultation and coordination on operational safety issues in the maritime domain between the United States and the People's Republic of China;

Whereas the Western Pacific Naval Symposium, inaugurated in 1988 and comprising the navies of Australia, Brunei, Cambodia, Canada, Chile, France, Indonesia, Japan, Malaysia, New Zealand, Papua New Guinea, the People's Republic of China, the Philippines, the Republic of Korea, the Russian Federation, Singapore, Thailand, Tonga, the United States, and Vietnam, whose countries all border the Pacific Ocean region, provides a forum where leaders of regional navies can meet to discuss cooperative initiatives, discuss regional and global maritime issues, and undertake exercises to strengthen norms and practices that contribute to operational safety, including protocols for unexpected encounters at sea, common ways of communication, common ways of operating, and common ways of engagement;

Whereas Japan and the People's Republic of China sought to negotiate a Maritime Communications Mechanism between the defense authorities and a Maritime Search and Rescue Agreement and agreed in principle to these agreements to address operational safety on the maritime domains but failed to sign them;

Whereas the Changi Command and Control Center in Singapore provides a platform for all the countries of the Western Pacific to share information on what kind of contact at sea and to provide a common operational picture for the region;

Whereas 2014 commemorates the 35th anniversary of normalization of diplomatic relations between the United States and the People's Republic of China, and the United States welcomes the development of a peaceful and prosperous China that becomes a responsible international stakeholder, the government of which respects international norms, international laws, international institutions, and international rules; enhances security and peace; and seeks to advance relations between the United States and China; and

Whereas ASEAN plays an important role, in partnership with others in the regional and international community, in addressing maritime security issues in the Asia-Pacific region and the Indian Ocean, including open access to the maritime domain of Asia: Now, therefore, be it

Resolved,

SECTION 1. SENSE OF THE SENATE.

The Senate—

(1) condemns coercive and threatening actions or the use of force to impede freedom of operations in international airspace by military or civilian aircraft, to alter the status quo or to destabilize the Asia-Pacific region;

(2) urges the Government of the People's Republic of China to refrain from implementing the declared East China Sea Air Defense Identification Zone (ADIZ), which is contrary to freedom of overflight in international airspace, and to refrain from taking similar provocative actions elsewhere in the Asia-Pacific region;

(3) commends the Governments of Japan and of the Republic of Korea for their restraint, and commends the Government of the Republic of Korea for engaging in a deliberate process of consultations with the United States, Japan and China prior to announcing its adjustment of its Air Defense Identification Zone on December 9, 2013, and for its commitment to implement this adjusted Air Defense Identification Zone (ADIZ) in a manner consistent with international practice and respect for the freedom of overflight and other internationally lawful uses of international airspace; and

(4) calls on the Government of the People's Republic of China to withdraw its Hai Yang Shi You 981 (HD-981) drilling rig and associated maritime forces from their current positions, to refrain from maritime maneuvers contrary to COLREGS, and to return immediately to the status quo as it existed before May 1, 2014.

SEC. 2. STATEMENT OF POLICY.

It is the policy of the United States to—

(1) reaffirm its unwavering commitment and support for allies and partners in the Asia-Pacific region, including longstanding United States policy regarding Article V of the United States-Philippines Mutual Defense Treaty and that Article V of the United States-Japan Mutual Defense Treaty applies to the Japanese-administered Senkaku Islands;

(2) oppose claims that impinge on the rights, freedoms, and lawful use of the sea that belong to all nations;

(3) urge all parties to refrain from engaging in destabilizing activities, including illegal occupation or efforts to unlawfully assert administration over disputed claims;

(4) ensure that disputes are managed without intimidation, coercion, or force;

(5) call on all claimants to clarify or adjust claims in accordance with international law;

(6) support efforts by ASEAN and the People's Republic of China to develop an effective Code of Conduct, including the `early harvest' of agreed-upon elements in the Code of Conduct that can be implemented immediately;

(7) reaffirm that an existing body of international rules and guidelines, including the International Regulations for Preventing Collisions at Sea, done at London October 12, 1972 (COLREGs), is sufficient to ensure the safety of navigation between the United States Armed Forces and the forces of other countries, including the People's Republic of China;

(8) support the development of regional institutions and bodies, including the ASEAN Regional Forum, the ASEAN Defense Minister's Meeting Plus, the East Asia Summit, and the expanded ASEAN Maritime Forum, to build practical cooperation in the region and reinforce the role of international law;

(9) encourage the adoption of mechanisms such as hotlines or emergency procedures for preventing incidents in sensitive areas, managing them if they occur, and preventing disputes from escalating;

(10) fully support the rights of claimants to exercise rights they may have to avail themselves of peaceful dispute settlement mechanisms;

(11) encourage claimants not to undertake new unilateral attempts to change the status quo since the signing of the 2002 Declaration of Conduct, including not asserting administrative measures or controls in disputed areas in the South China Sea;

(12) encourage the deepening of partnerships with other countries in the region for maritime domain awareness and capacity building, as well as efforts by the United States Government to explore the development of appropriate multilateral mechanisms for a `common operating picture' in the South China Sea that would serve to help countries avoid destabilizing behavior and deter risky and dangerous activities; and

(13) assure the continuity of operations by the United States in the Asia-Pacific region, including, when appropriate, in cooperation with partners and allies, to reaffirm the principle of freedom of operations in international waters and airspace in accordance with established principles and practices of international law.

SEC. 3. RULE OF CONSTRUCTION.

Nothing in this resolution shall be construed as a declaration of war or authorization to use force.

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