

## **EXECUTIVE OFFICE OF THE PRESIDENT**

OFFICE OF MANAGEMENT AND BUDGET WASHINGTON, D.C. 20503

July 9, 2019 (House Rules)

## STATEMENT OF ADMINISTRATION POLICY

H.R. 2500 - National Defense Authorization Act for Fiscal Year 2020

(Rep. Smith, D-WA)

The National Defense Authorization Act (NDAA) plays an essential role in securing our national security interests, and the Administration supports enactment of an NDAA for the 59th consecutive year. While the Administration appreciates the House Armed Services Committee's (Committee) investments in key national security priorities and its support for the men and women of the Armed Forces and their families, H.R. 2500 includes a number of provisions that raise deep concerns.

The level of funding that would be authorized by the bill—a total of \$733 billion for national defense—is \$17 billion below the Fiscal Year (FY) 2020 Budget request and would not fully support critical national security priorities. The Administration is also concerned about the bill's allocation of funds between base national defense and Overseas Contingency Operations (OCO) accounts—an allocation that exceeds the discretionary cap in place under current law. As outlined in the Budget request, the Administration prefers to limit base national defense funding to the current law's discretionary cap, while using both OCO and emergency funding to provide the additional necessary resources to support the National Defense Strategy (NDS). This approach is vital to ensuring that the Nation has the funding necessary to defend itself without another budget agreement or legislation increasing the discretionary cap.

The Administration also has significant concerns about several provisions of H.R. 2500. These provisions would pose serious challenges to continued execution of the NDS and the 2018 Nuclear Posture Review (NPR); impair the President's authorities, prerogatives, and responsibilities as Commander in Chief; impede efforts to ensure border security; undermine the Nation's defense posture; and harm the warfighter.

If H.R. 2500 were presented to the President in its current form, his advisors would recommend that he veto it.

Modification and Clarification of Construction Authority in the Event of a Declaration of War or National Emergency (Section 2802). The Administration strongly objects to section 2802 because it would significantly curtail the authority of the Department of Defense (DOD) under 10 U.S.C. 2808 by imposing spending caps, limiting the source of funds, constraining the Secretary of Defense's ability to waive laws that impede expeditious response to an emergency, and imposing burdensome congressional reporting requirements. Section 2808 was originally enacted to allow for the adjustment of military construction priorities in the event of a declaration of war or national emergency and this section would greatly restrict that ability.

Modification and Technical Correction of Authority for Deployment of Members of the Armed Forces to the Southern Land Border of the United States (Section 1044). The Administration strongly objects to this provision's 30-day advanced certification and notification requirements. The requirement would limit the Secretary of Defense's ability to use this authority to respond in a timely manner to emerging U.S. Customs and Border Protection requests for assistance. Furthermore, a requirement to give Congress advance notice of military deployments would contravene the President's constitutional authority as Commander in Chief.

Prohibition on Use of Department of Defense Funds for Construction of a Wall, Fence, or Other Physical Barrier Along the Southern Border of the United States (Sections 1046 and 2801). The Administration strongly objects to these provisions because they would prohibit the use of all DOD funds to design or carry out a project to construct, replace, or modify a wall, fence, or other physical barrier along the international border between the United States and Mexico, increasing risk to our homeland security. Additionally, these provisions would leave the Secretary of Defense unable to effectively support use of the Armed Forces in connection with the ongoing national emergency.

Modification of Authority to Provide Support to Other Agencies for Counterdrug Activities and Activities to Counter Transnational Organized Crime (Section 1011). The Administration strongly objects to this provision, which would remove DOD's authority to support United States law enforcement agencies by constructing fences to block drug smuggling corridors across international borders of the United States. The provision would also require detailed congressional notification prior to providing any support to other United States departments and agencies. Specifically, it would significantly impede DOD's ability to provide ongoing, real-time, and mission-critical linguist and intelligence analysis services; transportation of personnel, supplies, and equipment involved in active Federal investigations; the detection and monitoring of United States inbound suspect aerial and surface traffic; as well as aerial and ground reconnaissance support to law enforcement partners.

Limitation on General and Special Transfer Authority (Sections 1001 and 1512). The Administration strongly objects to the bill's significant recommended reductions to the DOD's general and special transfer authorities. Specifically, section 1001 of the bill would limit DOD's base budget general transfer authority to \$1 billion in FY 2020, \$4 billion below the Budget request. The Administration also objects to section 1001(c) because removing DOD's authority to reprogram resources in support of the Drug Interdiction and Counter-Drug Activities would unduly restrict the Secretary of Defense's ability to support United States interagency efforts to combat transnational criminal organizations and the influx of opioids and other dangerous narcotics that kill tens of thousands of Americans each year. Section 1512 of the bill would limit OCO special transfer authority to \$0.5 billion in FY 2020, \$4 billion below the FY 2020 Budget request. Limiting DOD's transfer authorities would severely constrain DOD's ability to shift funds between accounts to meet unforeseen or emerging military requirements.

<u>Prohibition on Availability of Funds for Deployment of Low-yield Ballistic Missile Warhead</u> (<u>Section 1646</u>). The Administration strongly objects to provisions that would reduce funding for the Trident II Modification Program and the W76-2 Modification Program, and block deployment of the system. As a measured response to a real-world escalatory threat, the W76-2 warhead

reinforces the credibility of our deterrence posture and represents a key element of the 2018 NPR. Blocking deployment would send a dangerous message to potential adversaries, many of whom are investing in their own modernization priorities, that the United States is incapable of adjusting its nuclear posture despite a worsening nuclear environment. This would undermine deterrence and increases nuclear risk to the United States and our allies.

Intermediate-Range Nuclear Forces (INF) Treaty Response Options (Prompt Global Strike Program Element) (Section 1684). The Administration strongly objects to section 1684, which would eliminate \$76 million in research and development funding for INF Treaty response options. The reduction would disadvantage the United States in the event that Russia does not return to compliance with its obligations under the INF Treaty by the August 2, 2019 deadline. The Administration continues to have the full support of NATO and other key allies in its response to Russia's violation; the elimination of the funds in the budget request would lead those allies to question our resolve in ensuring Russia cannot achieve a military advantage through its violation of the Treaty.

Submission to Congress of Department of Defense Execute Orders (Section 1082). The Administration strongly objects to section 1082, which would mandate the submission to Congress of information that, if disclosed, could impair national security, foreign relations, law enforcement, or the safety of military operations and personnel. It thus would contravene the President's constitutional authority as Commander in Chief as well as his constitutional prerogative not to disclose privileged information.

<u>United States Space Corps Sections (921 - 925)</u>. The Administration appreciates the Committee's support for the establishment of a sixth branch of the Armed Forces focused on space within the Department of the Air Force. Elevating the space domain to be on par with the air, land, and sea domains is critical to the Nation's future defense. In order to achieve the Committee's intent, the Administration requests the inclusion of additional technical and conforming amendments, such as pay and allowances for members of the new Armed Force, retirement of officers and enlisted members, and original appointments of commissioned officers. Finally, the Administration urges the Committee to consider authorizing the Secretary of Defense to begin transferring appropriate Air Force and non-Air Force personnel to the new Armed Force in FY 2020, and authorize a senior civilian dedicated to the new Armed Force and the space domain as a whole.

Modification of Plutonium Pit Production Capacity; Plutonium Sustainment (Sections 3114 and 4701). The Administration strongly objects to the Committee's proposed reduction of \$241.1 million in requested funding for the National Nuclear Security Administration's (NNSA) plutonium sustainment efforts. The requested level is necessary to meet the military requirement to produce no fewer than 80 pits per year by 2030. This 32 percent reduction would significantly delay NNSA's efforts to improve safety and security features while modernizing the stockpile. Additionally, delaying the pit production program would force NNSA to further increase its future pit production capacity to address plutonium aging, thereby requiring a larger and more costly pit manufacturing capability.

<u>Ground-Based Strategic Deterrent (GBSD) (Section 4201)</u>. The Administration strongly objects to the Committee's proposed reduction of \$103 million to the GBSD program. GBSD is

required to modernize the nation's land-based nuclear forces, which are currently dependent upon the Minuteman III system first deployed in the 1970s. The Air Force is on track to award a contract for the next phase of the GBSD program in FY 2020. This funding reduction would prevent the Air Force from awarding this contract and delay recapitalization of this leg of the nuclear triad.

NNSA Nuclear Warhead Modernization. The Administration strongly objects to the Committee's proposed funding reductions to several of NNSA's nuclear warhead modernization programs. Reductions to B83 Stockpile Systems may preclude NNSA from carrying out NPR direction to sustain the B83-1 until a suitable replacement is identified. Such a reduction would undermine NNSA's ability to meet warfighter requirements and force tradeoffs that would impact the reliability of fielded deterrent systems.

Reductions to the W87-1 Modification Program would delay the program, increase its cost, and jeopardize DOD's plans to deploy the next generation intercontinental ballistic missile, thereby increasing risk and costs to maintain and qualify the existing warhead. The W87-1 will provide enhanced safety and security compared to the legacy W78 that it will replace. Reductions to W80 Stockpile Systems targeted for a study to help inform Administration views on a nuclear-armed sea-launched cruise missile (SLCM) would make it impossible to properly assess the viability of the SLCM and to inform Congress of the assessment. Finally, while the Administration appreciates the increase to NNSA's cap on Federal hiring, the reduction to NNSA Federal Salaries and Expenses would severely impact NNSA's ability to recruit, hire, and retain the highly skilled workforce needed to provide necessary program and project guidance and oversight to execute nuclear security programs.

Missile Defense Programs (Section 4201). The Administration strongly objects to the \$413 million in reductions to the Missile Defense Agency's (MDA) funding request as well as the rescoping of Flight Test Mission-44 (FTM-44) during a period of escalating threats to the homeland and our allies. Specifically, the Administration objects to the \$150 million reduction to the Improved Homeland Defense Interceptor Program (Redesigned Kill Vehicle). The reduction would be premature pending the result of DOD's analysis of alternative courses of action for the Redesigned Kill Vehicle effort and could cause even further delays to the delivery of 20 additional Ground-Based Interceptors.

The Administration also strongly objects to the \$42 million reduction to re-scope FTM-44, a Standard Missile-3 (SM-3) Block IIA flight test, from testing against a threat representative Intercontinental Ballistic Missile (ICBM) to testing against a threat representative Intermediate-Range Ballistic Missile (IRBM). Section 1680 of the National Defense Authorization Act for Fiscal Year 2018 (Public Law 115-91) directed MDA to conduct an SM-3 Block IIA flight test against a threat representative ICBM. The re-scoping to conduct the test against a threat representative IRBM rather than an ICBM would prevent MDA compliance with section 1680. In addition, the re-scoping of the test to a non-ICBM target would add little technical value, as MDA has already successfully tested the SM-3 Block IIA missile against a threat representative IRBM in Flight Test Integrate-03 (FTI-03) in December 2018, and also against a threat representative Medium Range Ballistic Missile in FTM-45 in October 2018.

Next Generation Air Dominance (NGAD) (Section 4201). The Administration strongly objects to the \$500 million reduction in the NGAD program. Full funding for NGAD is essential to maintaining a strong United States industrial base capable of building the world's most advanced aircraft. This 50 percent reduction in funding would result in a three-year slip in advanced aircraft development timelines and the cancellation of critical new production technology programs. Reduced funding would also risk setting the United States behind other nations applying rapidly evolving digital technology to future aircraft programs.

<u>Limitation on Availability of Funds for VC–25B Aircraft (Section 125)</u>. The Administration strongly objects to this provision, which would create significant cost and schedule risk to the VC-25B program. As such, the program would likely be exposed to a Request for Equitable Adjustment stemming from the inability to respond in a timely manner when it is necessary to utilize over-and-above funding under the firm-fixed-price contract. Additionally, it could prevent resolution of design issues identified during testing that could create operational and security issues during Presidential missions.

Notification of Delegation of Authorities to the Secretary of Defense for Military Operations in Cyberspace (Section 1628). The Administration strongly objects to this provision, as it would require the Secretary of Defense to provide Congress with operationally sensitive documents regarding authorities delegated by the President to the Secretary for military operations in cyberspace, including execute orders, a list of countries in which such authorities might be exercised, and defined military objectives for the use of such authorities. This provision would interfere with the established process for military operations in cyberspace, unduly hinder cyber operations, and contravene the President's constitutional prerogative not to disclose privileged information, including national security information.

<u>Military Service Academies (Section 538)</u>. The Administration strongly objects to section 538, which would outsource authority for discipline, as well as undermines commander accountability and the chain of command relationship. The proposal is inconsistent with one of the fundamental principles of the military justice system since Congress adopted the Uniform Code of Military Justice in 1950: uniformity. Creating a pilot program where one individual is treated differently than another charged with the same crime may raise fairness concerns. Criminal justice systems should not be experiments; neither should accused service members nor victims be treated as experiments. Numerous studies of the exercise of prosecutorial discretion, including in foreign militaries that have empowered lawyers to make charging decisions, have found no resulting benefit in sexual assault rates, reporting, investigation, or prosecution.

Restrictions on Detention at United States Naval Station, Guantanamo Bay (GTMO), Cuba (Sections 1032 and 1033). The Administration strongly objects to any restriction on Law of War detention. The Administration fully intends to keep open the detention facility at GTMO and to use it for detention operations, and DOD has implemented strict global screening criteria that limit the candidates who are eligible for detention at GTMO. If transfers to GTMO were prohibited, as called for in Section 1033, then, in the future, DOD would be forced to conduct long-term detention of such detainees in-theater or in the continental United States, repatriate them to third countries, or release detainees. Furthermore, in certain circumstances, restrictions on the

President's authority to transfer detainees would violate constitutional separation of powers principles, including the President's authority as Commander in Chief.

<u>Detention Facilities at GTMO (Section 4602)</u>. The Administration appreciates the authorization for military construction of the Communications Facility, and the Detention Legal Office and Communications Center at GTMO. The Administration strongly objects, however, to the exclusion of the High-Value Detention Facility. The President has ordered continued detention operations at GTMO. The current facility for high-value detainees is experiencing structural and system challenges that, if unaddressed, could pose life and safety risks to both our guard forces and the detainees.

Limitations on Use of Funds for Providing Housing for Unaccompanied Alien Children (UAC) (Sections 1048 and 1049). The Administration objects to sections 1048 and 1049 as they may limit DOD's ability to support HHS's efforts to house UACs during times of influx. Additionally, section 1049 would require the Secretary of Defense to certify issues outside the purview of the Secretary of Defense. At the request of the Secretary of Health and Human Services (HHS), the Secretary of Defense makes available DOD land and facilities for use by HHS. The Secretary of HHS determines whether such DOD land and facilities meet HHS requirements and standards, including those standards established pursuant to the Flores settlement agreement. Additionally, DOD support to HHS is on a reimbursable basis. DOD does not expend DOD funds for this purpose.

<u>Prohibition on the Use of Funds to Suspend, Terminate, or Withdraw the United States from the Open Skies Treaty (Section 1231)</u>. The Administration strongly objects to this prohibition, insofar as it purports to impinge on the President's sole constitutional authority to suspend, terminate, or withdraw from a treaty. This authority is not conferred by and cannot be limited by Congress. While Congress's spending power is broad, it cannot be deployed to accomplish unconstitutional ends, including through the use of appropriations restrictions to prevent the President from exercising his constitutional authority to suspend, terminate, or withdraw from a treaty.

Replacement of Fluorinated Aqueous Film-forming Foam with Fluorine-free Fire-fighting Agent (Section 318). The Administration strongly objects to this provision, which prohibits DOD from using fluorinated fire-fighting foam before a viable equivalent replacement has been identified. DOD continues to pursue aggressively a fluorine-free foam, which must be equivalent in fire-fighting performance and workforce safety as the military specifications. DOD has concerns, however, about meeting the 2025 military specification deadline and the feasibility of waiver requirements.

Perfluorooctane Sulfonate (PFOS) and Perfluorooctanoic Acid (PFOA) Used on Military Installations (Section 323). The Administration strongly objects to this provision, which would provide authority to DOD to treat water sources or provide replacement water for agricultural purposes where the water source is "contaminated" with PFOA and PFOS from military activities. Using the EPA drinking water health advisory (HA) to identify areas subject to this section of the bill would be inconsistent with the scientific basis-of the HA—it was not constructed to determine unhealthy-levels of PFOA/PFOS in water used for agricultural purposes or human

health effects from consumption of foods produced using agricultural water containing PFOA/PFOS. Additionally, at potentially great cost to and significant impact on DOD's mission, the legislation singles out DOD, only one contributor to this national issue.

Basic Needs Allowance for Low-income Regular Members (Section 602). The Administration strongly objects to this provision because it would be an unnecessary entitlement. Military members receive appropriate compensation already. Most junior enlisted members receive pay that is between the 95th and 99th percentiles relative to their private-sector peers. In addition, this provision would base the allowance upon a member's household size, potentially including roommates and unrelated individuals. The provision would also raise fairness concerns as it would exclude members of the United States Coast Guard, members assigned outside the United States, and members of the Active Guard and Reserve.

Integrated Personnel and Pay System-Army (IPPS-A) (Section 4201). The Administration strongly objects to the \$43 million reduction in research and development funding from the FY 2020 Budget request in section 4201 for the IPPS-A. The reduction effectively eliminates IPPS-A for approximately 680,000 soldiers serving in the Regular Army and Reserves and would put the Army's number one personnel modernization effort, which is currently being released to the Army National Guard, with approximately another 335,000 members at significant risk. IPPS-A integrates human resource capabilities across all components for the first time, and is the vehicle for the Army's Talent Management efforts. The legislation would also delay the fielding of IPPS-A to the Army Reserve and Active Duty from 2021 to 2023, significantly undermining the Army's efforts to transform its force, and place efforts to achieve auditability at risk.

Authority to Provide Assistance to the Vetted Syrian Opposition (Section 1222). The Administration strongly objects to the 15-day waiting period and hold on funds mandated by this provision. These requirements would impede DOD's ability to provide continuous, uninterrupted training, and assistance to vetted Syrian Opposition forces, and would have an irreversible damaging effect on the next phases of DOD's campaign to defeat the remaining ISIS networks in the region. Furthermore, a requirement to provide Congress advance notice of military exercises would contravene the President's constitutional authority as Commander in Chief.

National Security Space Launch Program (Section 1601). The Administration strongly objects to this provision as it would increase mission risk for the Nation's national security satellites. After careful and considered study, DOD determined that a contract for national security space launch requirements over the course of five years would optimize warfighter flexibility, minimizes mission risk, and provides exceptional value to the taxpayer. It would also align with the conclusion of the current generation of several satellite architectures. Confining Phase 2 to fewer missions would increase per-launch cost while simultaneously introducing risk and costs for some intelligence payloads. Finally, notifying Congress prior to a contract would be a departure from long-standing tradition and might put DOD at a greater risk of a protest.

<u>Next-Generation Overhead Persistent Infrared (Next-Gen OPIR) (Section 4201)</u>. The Administration strongly objects to the Committee's reduction of \$376.4 million for the Next-Gen OPIR program as it would delay delivery by three years and increase overall program costs by over \$475 million.

Prohibition on Availability of Funds for Mobile Variant of Ground-Based Strategic

Deterrent Missile (Section 1645). The Administration objects to the 10-year extension of the prohibition on the availability of funds for a mobile variant of the GBSD missile. The GBSD will serve as the ground-based leg of the nuclear triad for decades into the future. Pursuant to the 2018 NPR, a mobile variant of the GBSD is not currently required to ensure deterrence, but changes in adversary technology (e.g., a breakthrough in anti-submarine warfare), doctrine, and nuclear force posture may require the United States to reassess this determination in the future.

<u>Limitation on Use of Funds for Implementation of Elements of Master Plan for Redevelopment of Former Ship Repair Facility in Guam (Section 335)</u>. The Administration objects to this provision because this funding restriction would impede Navy's ability to plan and program projects necessary to best utilize limited real estate resources to support future mission growth and advanced warfighting capabilities. This restriction would negatively impact Navy's ability to sustain its advantage over peer competitors, place warfighters at risk, and create an untenable safety risk.

F-15EX Aircraft Program (Section 123). The Administration objects to section 123, which would designate the F-15EX as a major subprogram of the F-15. The designation as a major subprogram would needlessly delay the fielding of the F-15EX by an estimated two years while providing only marginal decision-making value to the Milestone Decision Authority given the F-15EX high level of technology readiness. The delays would exacerbate capacity issues within the tactical aircraft portfolio, prevent the execution of key nonrecurring engineering and manufacturing activities, and require operating the less capable F-15C/D longer with its significant structural issues and high cost. The Administration objects to the proposed limitation on procuring only two F-15EX prototypes, and requests full funding for the first eight F-15EX aircraft.

<u>Unmanned Surface Vessels (Section 4201)</u>. The Administration objects to the proposed \$238 million reduction to the Large Unmanned Surface Vessels. These vessels are critical experimentation vessels with modular payloads to reduce risk, conduct integration and testing of payloads, and develop Navy tactics and concepts of operations necessary to provide a more distributed and lethal force.

## Reprioritization of Military Construction Funding to Unrequested Projects (Section 4601).

The Administration objects to the bill's proposed realignment of military construction funding from priority projects to other projects not included in the FY 2020 Budget request. Contrary to the Administration's fiscally responsible policy to fully fund projects, the bill proposes to incrementally fund 20 military construction projects, effectively creating an unfunded obligation of \$1.4 billion needed to fully fund these projects over time. In addition, the bill would divert \$1 billion requested in the FY 2020 Budget to fully fund priority projects, or from rescissions of prior year funds, to other unrequested projects.

<u>Low-Enriched Uranium Naval Nuclear Fuel R&D Program (Section 3118)</u>. The Administration objects to the bill's direction to establish a program for development of high-density, low-enriched fuels that could replace highly enriched uranium for naval applications. In 2018, the Secretaries of Energy and the Navy jointly determined that the United States should not

pursue research and development of an advanced naval nuclear fuel system based on low-enriched uranium since such a system would result in a reactor design that is inherently less capable, more expensive, and unlikely to support the significant cost savings associated with life-of-ship submarine reactors. To fully execute a development effort of this magnitude would also incur significant risk and compete for resources against other defense priorities.

Nuclear Counterterrorism and Incident Response (NCTIR). The Administration objects to the bill's reduction of \$32 million from the FY 2020 Budget request for the NCTIR program. This reduction would compromise NNSA's ability to speed life-saving responses to a nuclear incident in the United States. Under the Capability Forward model, NNSA would provide enhanced training and equipment to regional Federal Bureau of Investigation (FBI) teams, enabling them to render safe a nuclear device. Given the interdependence of NNSA and FBI in this initiative, if the two agencies' budgets do not remain synchronized, the timeline for fielding enhanced capabilities to United States cities will be severely disrupted.

<u>Timely Disposition of Nonprosecutable Sex-Related Offenses (Section 539)</u>. This provision would be inconsistent with existing statutory requirements, such as forwarding certain non-referral decisions regarding sexual assault allegations for higher-level review, and the Administration objects to its inclusion in the final bill. The provision would include a 90-day deadline that may preclude command action if that command action is not concluded within that timeframe, potentially immunizing misconduct.

Expansion of Special Victims' Counsel for Victims of Sex-Related to Domestic Violence Offenses (Section 542). DOD remains committed to eliminating sex-related and domestic violence offenses. This provision, however, would decrease access for sexual assault victims to Special Victims' Counsels (SVCs)/Victims' Legal Counsels (VLCs), exacerbate already high caseloads for SVC/VLCs, and impose an unfunded mandate.

## <u>Defense Acquisition Workforce Certification and Education Requirements (Section 841)</u>.

The Administration is concerned the provisions included in section 841 would be premature and overly broad. DOD's acquisition workforce is currently subject to requirements of the Defense Acquisition Workforce Improvement Act (DAWIA). Rather than create a new set of standards and impose additional requirements (which would result in increased costs), DOD would prefer to continue to evaluate current workforce needs, and modify the DAWIA certification program accordingly.

<u>Federal Transit Dollars (Section 896)</u>. The Administration supports the efforts of the Committee, as set forth in section 896, to prevent financial assistance, specifically Federal transit dollars, from being used to award a contract or subcontract for the procurement of passenger railcars to priority enterprises owned, controlled, or subsidized by foreign states.

<u>Telecommunications Services and Infrastructure (Section 852)</u>. The Administration strongly supports section 852, which would direct the Secretary of Defense to award telecommunications services and infrastructure contracts only to allowed contractors. This provision will improve security on outlying United States national security installations by removing a potential

vulnerability from United States systems and will encourage reciprocity in government procurement practices.

Prohibition on Operation or Procurement of Foreign-made Unmanned Aircraft Systems (UAS) (Section 854). The Administration supports section 854, which would prohibit procurement by the Secretary of Defense of UAS manufactured by a covered foreign country. The Administration believes domestic production of these systems is critical for economic and national security interests. Reliance on a covered nation for these aircraft systems presents exceptional risk to our supply chains and defense. The exemption and waiver provisions already in section 854 address many concerns with the legislation and the Administration looks forward to working with Congress on refining language to include a broader research and development exemption.

<u>Safe-to-Report Policy</u> (Sections 549 and 560). The Administration supports programs to minimize barriers to reporting. However, this provision would provide blanket immunity and might have the effect of undermining the validity of a victim's allegations. Specifically, under this provision, victims might be subjected to allegations that the report was made merely to escape disciplinary or punitive action. This would detract from the victim's testimony, and might lend itself to injecting doubt into the case.

Afghan Special Immigrant Visas (SIV) (Section 1212). The Administration appreciates the Committee's support of the Afghan SIV program and inclusion of 300 additional visas. The Administration urges the Committee, however, to consider including its full request for 4,000 Afghan SIVs to ensure continued support of the Afghans who have worked alongside our troops and diplomats.

Foreign Policy and Assistance Related Matters (Sections 897, 1031, and 1255). Sections 897, 1031, and 1255, among other provisions, concern foreign policy and foreign assistance priorities, and while they may advance efforts that the Administration supports, the Administration is concerned that these provisions do not have a means to ensure in the implementation of these authorities consistent with United States foreign policy interests and to avoid serious unintended consequences.