

[DISCUSSION DRAFT]

APRIL 16, 2018

115TH CONGRESS
2D SESSION

H. R. _____

To promote efficiency and agility, reduce duplication and redundancy, and streamline bureaucracy across Defense Agencies, Department of Defense Field Activities, and other organizations and elements of the Department of Defense.

IN THE HOUSE OF REPRESENTATIVES

M. _____ introduced the following bill; which was referred to the
Committee on _____

A BILL

To promote efficiency and agility, reduce duplication and redundancy, and streamline bureaucracy across Defense Agencies, Department of Defense Field Activities, and other organizations and elements of the Department of Defense.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Comprehensive Pen-
5 tagon Bureaucracy Reform and Reduction Act”.

1 **SEC. 2. STREAMLINING OF CERTAIN FUNCTIONS ACROSS**
2 **THE DEPARTMENT OF DEFENSE.**

3 (a) STREAMLINING OF FUNCTIONS.—

4 (1) IN GENERAL.—Not less frequently than
5 once every five years, and except as provided in
6 paragraph (2), the Secretary of Defense, acting
7 through the Chief Management Officer of the De-
8 partment Defense, shall reduce or eliminate duplica-
9 tive functions across all organizations and elements
10 of the Department of Defense with respect to the
11 covered activities.

12 (2) EXCEPTION.—The military services shall
13 not be included in any reductions or eliminations
14 carried out under subsection (a) on or before Janu-
15 ary 1, 2021.

16 (b) CERTIFICATION AND REVIEW OF COST SAV-
17 INGS.—

18 (1) CERTIFICATION.—Not later January 1,
19 2021, the Chief Management Officer shall certify to
20 the congressional defense committees that the reduc-
21 tions and eliminations carried out under subsection
22 (a) achieved savings with respect to the total amount
23 obligated and expended for the covered activities in
24 fiscal year 2020 that were not less than 25 percent
25 of the baseline amount.

1 (2) GAO REVIEW.—Not later than 30 days
2 after the submission of the certification under para-
3 graph (1), the Comptroller General of the United
4 States shall submit to the congressional defense
5 committees a report that verifies whether the sav-
6 ings reported by the Chief Management Officer
7 under paragraph (1) are accurate.

8 (3) BASELINE AMOUNT.—For the purposes of
9 this subsection, the baseline amount is the total
10 amount obligated and expended by organizations and
11 elements of the Department of Defense other than
12 the military services for fiscal year 2019 for the cov-
13 ered activities, not including any reductions in such
14 amount attributable to activities carried out under
15 other sections of this Act.

16 (c) PLAN AND REVIEW.—

17 (1) PLAN REQUIRED.—Not later than March 1,
18 2020, the Chief Management Officer shall submit to
19 the congressional defense committees a plan for
20 complying with subsections (a) and (b).

21 (2) GAO REVIEW.—Not later than 30 days
22 after the submission of the plan under paragraph
23 (1), the Comptroller General of the United States
24 shall submit to the congressional defense committees
25 a report that verifies—

1 (A) whether the plan submitted under
2 paragraph (1) is feasible; and

3 (B) whether any cost savings expected to
4 result from the plan are accurate.

5 (d) SUBSEQUENT REPORTS AND REVIEWS.—

6 (1) CMO REPORTS.—Not later than January 1
7 of every fifth calendar year beginning with January
8 1, 2026, the Chief Management Officer shall submit
9 to the congressional defense committees a report
10 that describes the activities carried out by the Chief
11 Management Officer under subsection (a) during the
12 preceding five years, including an estimate of any
13 cost savings achieved as a result of such activities.

14 (2) GAO REVIEW.—Not later than 30 days
15 after the submission of each report under paragraph
16 (1), the Comptroller General of the United States
17 shall submit to the congressional defense committees
18 a report that verifies—

19 (A) whether the activities described in the
20 report under paragraph (1) were carried out;
21 and

22 (B) whether any cost savings estimated in
23 the report are accurate.

24 (e) COVERED ACTIVITIES DEFINED.—In this section,
25 the term “covered activities” means any activity relating

1 to civilian resources management, logistics management,
2 services contracting, or real estate management that is
3 carried out by an organization or element of the Depart-
4 ment of Defense.

5 **SEC. 3. ELIMINATION OF CERTAIN DEFENSE AGENCIES**
6 **AND DEPARTMENT OF DEFENSE FIELD AC-**
7 **TIVITIES.**

8 (a) **ELIMINATIONS REQUIRED.**—Not later than Jan-
9 uary 1, 2021, the Secretary of Defense, acting through
10 the Chief Management Officer of the Department of De-
11 fense, shall eliminate the following elements of the Depart-
12 ment:

- 13 (1) The Defense Technical Information Center.
- 14 (2) The Office of Economic Adjustment.
- 15 (3) The Test Resource Management Center.
- 16 (4) The Washington Headquarters Services.

17 (b) **TRANSFER OR ELIMINATION OF FUNCTIONS AND**
18 **PERSONNEL.**—

19 (1) **TRANSFER.**—The Chief Management Offi-
20 cer shall transfer to other elements of the Office of
21 the Secretary of Defense only such functions and
22 personnel of the elements eliminated under sub-
23 section (a) as are necessary to carry out an essential
24 function not otherwise carried out by such Office, as
25 determined by the Chief Management Officer.

1 (2) ELIMINATION.—Any functions and per-
2 sonnel of the elements eliminated under subsection
3 (a) that are not transferred to another element of
4 the Office of the Secretary of Defense under para-
5 graph (1) shall be eliminated.

6 (c) TRANSFER OR DISPOSITION OF ASSETS.—The
7 Chief Management Officer shall dispose of, or transfer to
8 other elements of the Office of the Secretary of Defense,
9 any assets of the elements eliminated under subsection
10 (a).

11 (d) TRANSITION PLAN.—Not later than March 1,
12 2020, the Chief Management Officer shall submit to the
13 congressional defense committees a plan for the elimi-
14 nations and transfers required under this section.

15 **SEC. 4. ELIMINATION OF DEFENSE INFORMATION SYSTEMS**

16 **AGENCY.**

17 (a) ELIMINATION REQUIRED.—Not later than Janu-
18 ary 1, 2021, the Secretary of Defense, acting through the
19 Chief Management Officer of the Department of Defense,
20 shall eliminate the Defense Information Systems Agency.

21 (b) TRANSFER OR ELIMINATION OF FUNCTIONS AND
22 PERSONNEL.—

23 (1) TRANSFER.—The Chief Management Offi-
24 cer, shall—

1 (A) transfer the functions, personnel, and
2 assets of the Joint Force Headquarters, De-
3 partment of Defense Information Network to
4 the United States Cyber Command;

5 (B) transfer all information technology
6 contracting and acquisition services of the De-
7 fense Information Systems Agency to other ele-
8 ments of the Department of Defense, which
9 may include the transfer of such services to the
10 military departments; and

11 (C) transfer all senior leader communica-
12 tions functions of the Agency to other elements
13 of the Department of Defense.

14 (2) ELIMINATION.—Any functions and per-
15 sonnel of the Defense Information Systems Agency
16 that are not transferred under paragraph (1) shall
17 be eliminated.

18 (c) TRANSFER OR DISPOSITION OF ASSETS.—The
19 Chief Management Officer shall dispose of, or transfer to
20 other elements of the Department of Defense, any assets
21 of the Defense Information Systems Agency.

22 (d) TRANSITION PLAN.—Not later than March 1,
23 2020, the Chief Management Officer shall submit to the
24 congressional defense committees a plan for the elimi-
25 nations and transfers required under this section.

1 **SEC. 5. ELIMINATION OF DEFENSE TECHNOLOGY SECUR-**
2 **RITY ADMINISTRATION.**

3 (a) **ELIMINATION REQUIRED.**—Not later than Janu-
4 ary 1, 2021, the Secretary of Defense, acting through the
5 Under Secretary of Defense for Intelligence, shall elimi-
6 nate the Defense Technology Security Administration.

7 (b) **TRANSFER OR ELIMINATION OF FUNCTIONS AND**
8 **PERSONNEL.**—

9 (1) **TRANSFER.**—The Under Secretary of De-
10 fense for Intelligence shall transfer to other elements
11 of the Office of the Secretary of Defense only such
12 functions and personnel of the Defense Technology
13 Security Administration as are necessary to carry
14 out an essential function not otherwise carried out
15 by such Office, as determined by the Under Sec-
16 retary.

17 (2) **ELIMINATION.**—Any functions and per-
18 sonnel of the Defense Technology Security Adminis-
19 tration that are not transferred to another element
20 of the Office of the Secretary of Defense under para-
21 graph (1) shall be eliminated.

22 (c) **TRANSFER OR DISPOSITION OF ASSETS.**—The
23 Under Secretary of Defense for Intelligence shall dispose
24 of, or transfer to other elements of the Office of the Sec-
25 retary of Defense, any assets of the Defense Technology
26 Security Administration.

1 (d) TRANSITION PLAN.—Not later than March 1,
2 2020, the Under Secretary of Defense for Intelligence
3 shall submit to the congressional defense committees a
4 plan for the eliminations and transfers required under this
5 section.

6 **SEC. 6. ELIMINATION OF DEFENSE HUMAN RESOURCES AC-**
7 **TIVITY.**

8 (a) ELIMINATION REQUIRED.—Not later than Janu-
9 ary 1, 2021, the Secretary of Defense shall eliminate the
10 Defense Human Resources Activity.

11 (b) ASSIGNMENT OR ELIMINATION OF FUNCTIONS
12 AND PERSONNEL.—

13 (1) ASSIGNMENT.—Subject to paragraph (2),
14 the Secretary of Defense shall assign to an Under
15 Secretary within the Department primary responsi-
16 bility for such functions and personnel of the De-
17 fense Human Resources Activity as are necessary—

18 (A) to carry out an essential function not
19 otherwise carried out by Department, as deter-
20 mined by the Secretary; or

21 (B) to carry out a function determined by
22 the Secretary to be necessary for the joint
23 force.

24 (2) ESSENTIAL FUNCTIONS.—The functions of
25 the Defense Human Resources Activity assigned to

1 an Under Secretary under paragraph (1) shall in-
2 clude, at minimum, the functions of—

- 3 (A) the Defense Manpower Data Center;
4 (B) the Defense Suicide Prevention Office;
5 (C) the Defense Personnel and Family
6 Support Center; and
7 (D) the Sexual Assault Prevention and Re-
8 sponse Office.

9 (3) **ELIMINATION.**—Any functions and per-
10 sonnel of the Defense Human Resources Activity
11 that are not assigned to an Under Secretary under
12 paragraph (1) shall be eliminated.

13 (c) **TRANSFER OR DISPOSITION OF ASSETS.**—The
14 Secretary of Defense shall dispose of, or transfer to other
15 elements of the Department of Defense, any assets of the
16 Defense Human Resources Activity.

17 (d) **TRANSITION PLAN.**—Not later than March 1,
18 2020, the Secretary of Defense shall submit to the con-
19 gressional defense committees a plan for the eliminations
20 and assignments required under this section.

21 **SEC. 7. STREAMLINING OF DEFENSE FINANCE AND AC-**
22 **COUNTING SERVICES.**

23 (a) **IN GENERAL.**—Not later than January 1, 2021,
24 the Chief Management Officer and the Under Secretary
25 of Defense (Comptroller) shall jointly carry out activities

1 to streamline, reduce duplication, and make more effective
2 the operations of the Defense Finance and Accounting
3 Services.

4 (b) PLAN REQUIRED.— Not later than March 1,
5 2020, the Chief Management Officer and the Under Sec-
6 retary of Defense (Comptroller) shall jointly submit to the
7 congressional defense committees a plan for carrying out
8 the activities required under subsection (a).

9 **SEC. 8. REVIEW OF FUNCTIONS OF DEFENSE CONTRACT**
10 **AUDIT AGENCY AND DEFENSE CONTRACT**
11 **MANAGEMENT AGENCY.**

12 (a) REVIEW REQUIRED.—The Secretary of Defense,
13 acting through the Chief Management Officer of the De-
14 partment of Defense, shall direct the Under Secretary of
15 Defense for Acquisition and Sustainment and the Under
16 Secretary of Defense (Comptroller) to conduct a joint re-
17 view of the functions of the Defense Contract Audit Agen-
18 cy and the Defense Contract Management Agency to de-
19 termine whether there are functions being performed by
20 either Agency that could more appropriately be performed
21 by the other Agency. The review shall include—

22 (1) a determination of whether there are func-
23 tions performed by either Agency that could more
24 appropriately be performed by—

1 (A) any other organization or element of
2 the Department of Defense, including the mili-
3 tary departments; or

4 (B) commercial providers; and

5 (2) an assessment of the potential benefits and
6 challenges associated with combining the Agencies
7 into one agency with oversight for defense con-
8 tracting.

9 (b) REPORT REQUIRED.—Not later than March 1,
10 2020, the Secretary of Defense shall submit to the con-
11 gressional defense committees a report that includes—

12 (1) the results of the review conducted under
13 subsection (a); and

14 (2) a plan to combine the functions of the De-
15 fense Contract Audit Agency and the Defense Con-
16 tract Management Agency into one agency by not
17 later than January 1, 2021.

18 **SEC. 9. ACTIONS TO INCREASE THE EFFICIENCY AND**
19 **TRANSPARENCY OF THE DEFENSE LOGISTICS**
20 **AGENCY.**

21 (a) SYSTEM AND CAPABILITY.—Not later than Janu-
22 ary 1, 2021, the Director of the Defense Logistics Agency,
23 in consultation with the customers served by the Agency,
24 shall develop and implement—

1 (1) a comprehensive system that enables cus-
2 tomers of the Agency to view—

3 (A) the inventory of items and materials
4 available to customers from the Agency; and

5 (B) the delivery status of items and mate-
6 rials that are in transit to customers; and

7 (2) a predictive analytics capability designed to
8 increase the efficiency of the system described in
9 paragraph (1) by identifying emerging customer
10 needs with respect to items and materials supplied
11 by the Agency, including any emerging needs arising
12 from the use of new weapon systems by customers.

13 (b) **ACTIONS TO INCREASE EFFICIENCY.**—Not later
14 than January 1, 2021, the Director of the Defense Logis-
15 tics Agency shall—

16 (1) reduce the rates charged to customers, in
17 aggregate, by not less than 10 percent;

18 (2) eliminate the duplication of services within
19 the Agency; and

20 (3) establish specific goals and metrics to en-
21 sure that the Agency is fulfilling its mission of pro-
22 viding items and materials to customers with suffi-
23 cient speed and in sufficient quantities to ensure the
24 lethality and readiness of warfighters.

1 (c) PLAN REQUIRED.—Not later than March 1,
2 2020, the Director of the Defense Logistics Agency shall
3 submit to the congressional defense committees a plan
4 that describes how the Director will achieve compliance
5 with the requirements of subsections (a) and (b).

6 **SEC. 10. AUTHORITIES AND RESPONSIBILITIES OF CHIEF**
7 **MANAGEMENT OFFICER OF THE DEPART-**
8 **MENT OF DEFENSE.**

9 (a) AUTHORITIES AND RESPONSIBILITIES.—Section
10 132a(b) of title 10, United States Code, is amended—

11 (1) by amending paragraph (3) to read as fol-
12 lows:

13 “(3) Exercising authority, direction, and control
14 over the Defense Agencies and Department of De-
15 fense Field Activities, including the authority to
16 eliminate such Agencies and Activities other than
17 those Agencies and Activities specifically established
18 by an Act of Congress.”; and

19 (2) by adding at the end the following:

20 “(7) Serving as the official with principal re-
21 sponsibility in the Department for minimizing the
22 duplication of efforts and maximizing efficiency and
23 effectiveness among all organizations and elements
24 of the Department with respect to—

25 “(A) civilian resources management;

1 “(B) logistics management;

2 “(C) services contracting; and

3 “(D) real estate management.”.

4 (b) BUDGET AUTHORITY.—Section 132a of title 10,
5 United States Code (as amended by subsection (a)) is fur-
6 ther amended—

7 (1) by redesignating subsections (c) and (d) as
8 subsections (d) and (e) respectively; and

9 (2) by inserting after subsection (b) the fol-
10 lowing:

11 “(c) BUDGET AUTHORITY.—

12 “(1)(A) The Secretary of Defense, acting
13 through the Under Secretary of Defense (Comp-
14 troller), shall require the head of each Defense
15 Agency and Department of Defense Field Activity to
16 transmit the proposed budget for such Agency or
17 Activity for a fiscal year and for the period covered
18 by the future-years defense program submitted to
19 Congress under section 221 of this title for that fis-
20 cal year to the Chief Management Officer for review
21 under subparagraph (B) before submitting the pro-
22 posed budget to the Under Secretary of Defense
23 (Comptroller).

24 “(B) The Chief Management Officer shall re-
25 view each proposed budget transmitted under sub-

1 paragraph (A) and, not later than January 31 of the
2 year preceding the fiscal year for which the budget
3 is proposed, shall submit to the Secretary of Defense
4 a report containing the comments of the Chief Man-
5 agement Officer with respect to all such proposed
6 budgets, together with the certification of the Chief
7 Management Officer regarding whether each pro-
8 posed budget is adequate.

9 “(C) Not later than March 31 of each year, the
10 Secretary of Defense shall submit to Congress a re-
11 port specifying each proposed budget contained in
12 the most-recent report submitted under subpara-
13 graph (B) that the Chief Management Officer did
14 not certify to be adequate. The report of the Sec-
15 retary shall include the following matters:

16 “(i) A discussion of the actions that the
17 Secretary proposes to take, together with any
18 recommended legislation that the Secretary con-
19 siders appropriate, to address the inadequacy of
20 the proposed budgets specified in the report.

21 “(ii) Any additional comments that the
22 Secretary considers appropriate regarding the
23 inadequacy of the proposed budgets.

24 “(2) None of the funds authorized to be appro-
25 priated or otherwise made available for any fiscal

1 year for a Defense Agency or Department of De-
2 fense Field Activity may be obligated or expended
3 unless—

4 “(A) the head of the Agency or Activity
5 submits to the Chief Management Officer a
6 plan for the obligation and expenditure of such
7 funds; and

8 “(B) the Chief Management Officer ap-
9 proves the plan.

10 “(3) Nothing in this subsection shall be con-
11 strued to modify or interfere with the budget-related
12 responsibilities of the Director of National Intel-
13 ligence.”.

14 **SEC. 11. AUTHORITIES AND RESPONSIBILITIES OF THE IN-**
15 **SPECTOR GENERAL OF THE DEPARTMENT OF**
16 **DEFENSE.**

17 (a) ADDITIONAL RESPONSIBILITIES AND AUTHORI-
18 TIES.—Section 141 of title 10, United States Code, is
19 amended by adding at the end the following:

20 “(c) In addition to the duties, responsibilities, and
21 powers referred to in subsection (b), the Inspector General
22 of the Department shall serve as the official with principal
23 responsibility in the Department for minimizing the dupli-
24 cation of efforts and maximizing efficiency among the In-
25 spectors General across all organizations and elements of

1 the Department with respect to public affairs, human re-
2 sources, contracting, services contracting, and any other
3 cross-enterprise activities of the Inspectors General.

4 “(d)(1)(A) The Secretary of Defense, acting through
5 the Under Secretary of Defense (Comptroller), shall re-
6 quire each Inspector General of an organization or element
7 of the Department of Defense to transmit the proposed
8 budget for the Office of such Inspector General for a fiscal
9 year and for the period covered by the future-years defense
10 program submitted to Congress under section 221 of this
11 title for that fiscal year to the Inspector General of the
12 Department of Defense for review under subparagraph
13 (B) before submitting the proposed budget to the Under
14 Secretary of Defense (Comptroller).

15 “(B) The Inspector General of the Department of
16 Defense shall review each proposed budget transmitted
17 under subparagraph (A) and, not later than January 31
18 of the year preceding the fiscal year for which the budget
19 is proposed, shall submit to the Secretary of Defense a
20 report containing the comments of the Inspector General
21 with respect to all such proposed budgets, together with
22 the certification of the Inspector General regarding wheth-
23 er each proposed budget is adequate.

24 “(C) Not later than March 31 of each year, the Sec-
25 retary of Defense shall submit to Congress a report speci-

1 fying each proposed budget contained in the most-recent
2 report submitted under subparagraph (B) that the Inspec-
3 tor General of the Department of Defense did not certify
4 to be adequate. The report of the Secretary shall include
5 the following matters:

6 “(i) A discussion of the actions that the Sec-
7 retary proposes to take, together with any rec-
8 ommended legislation that the Secretary considers
9 appropriate, to address the inadequacy of the pro-
10 posed budgets specified in the report.

11 “(ii) Any additional comments that the Sec-
12 retary considers appropriate regarding the inad-
13 equacy of the proposed budgets.

14 “(2) None of the funds authorized to be appropriated
15 or otherwise made available for any fiscal year for an In-
16 spector General of an organization or element of the De-
17 partment of Defense may be obligated or expended un-
18 less—

19 “(B) the Inspector General of the organization
20 or element submits to the Inspector General of the
21 Department of Defense a plan for the obligation and
22 expenditure of such funds; and

23 “(C) the Inspector General of the Department
24 of Defense approves the plan.”.

1 (b) STREAMLINING OF FUNCTIONS.—Not later than
2 January 1, 2021, the Secretary of Defense, acting through
3 the Inspector General of the Department Defense, shall
4 reduce or eliminate duplicative functions among the In-
5 spectors General across all organizations and elements of
6 the Department with respect to public affairs, human re-
7 sources, contracting, services contracting, and any other
8 cross-enterprise activities of the Inspectors General.

9 (c) PLAN REQUIRED.—Not later than March 1,
10 2020, the Inspector General of the Department of Defense
11 shall submit to the congressional defense committees a
12 plan for complying with subsection (b).

13 **SEC. 12. REDUCTION IN NUMBER OF CHIEF INFORMATION**
14 **OFFICERS IN THE SENIOR EXECUTIVE SERV-**
15 **ICE.**

16 With respect to the total number of Chief Informa-
17 tion Officer positions within the Department of Defense,
18 during calendar year 2021 and each year thereafter not
19 more than five of such positions may be Senior Executive
20 Service positions (as that term is described in section
21 3132(a)(2) of title 5, United States Code).

22 **SEC. 13. CONSOLIDATED REPORT.**

23 The plans and reports required to be submitted to
24 the congressional defense committees under this Act on

1 or before March 1, 2020, may be combined and submitted
2 in the form of a single, consolidated document.

3 **SEC. 14. DEFINITIONS.**

4 In this Act:

5 (1) The term “Chief Management Officer”
6 means the Chief Management Officer of the Depart-
7 ment of Defense.

8 (2) The terms “congressional defense commit-
9 tees”, “Defense Agency”, “Department of Defense
10 Field Activity”, and “military departments” have
11 the meanings given the terms in section 101(a) of
12 title 10, United States Code.