

Legislative Briefing

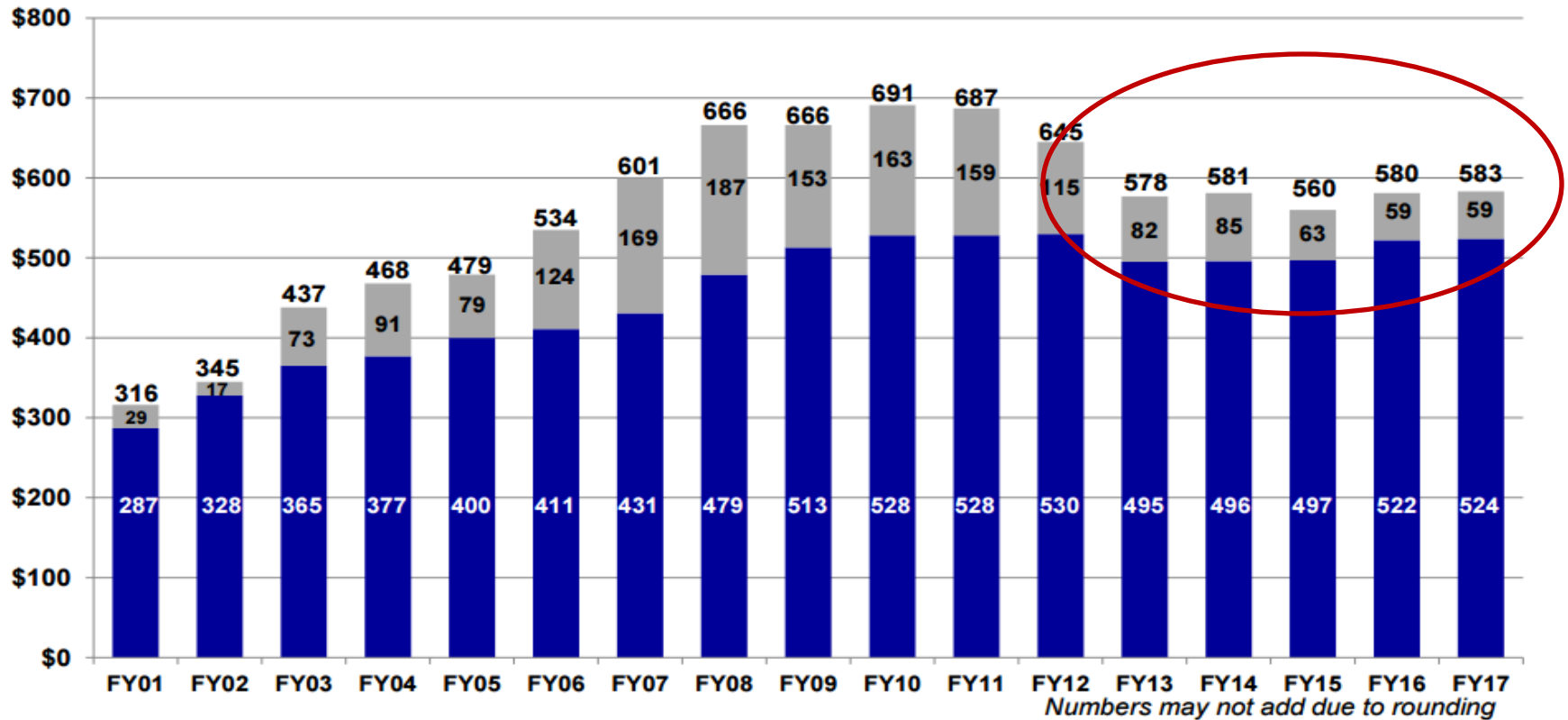
James Thomas

Assistant Vice President for Policy

August 24, 2016

DoD Funding from 9/11 Through FY 2017 Request

(Discretionary Budget Authority)

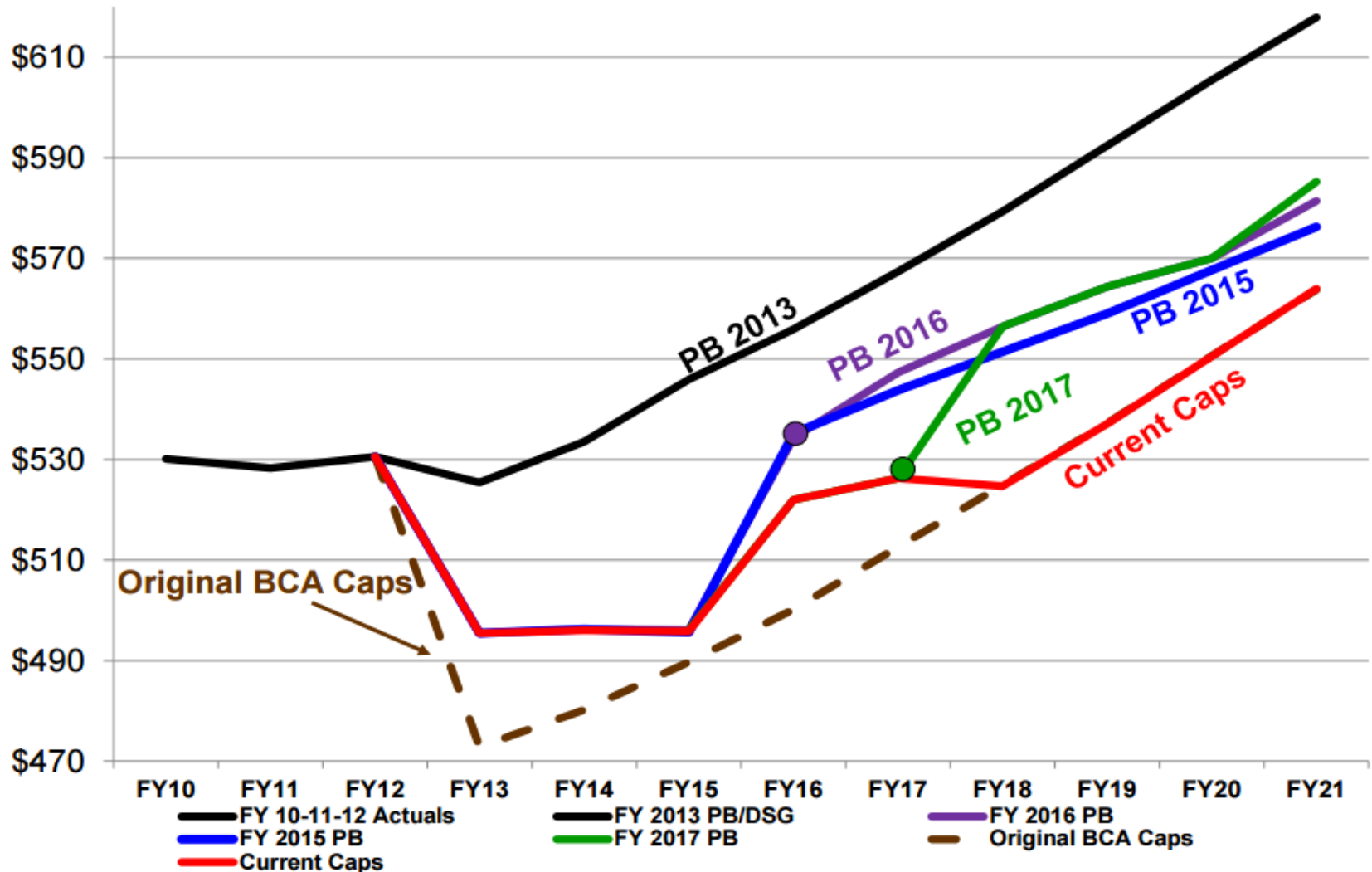


DoD Topline, FY 2001 – FY 2017

(Current Dollars in Billions)

■ Base Budget ■ OCO/Other Budget

(Dollars in Billions)



FY17 National Defense Authorization Act **NDIA**

Major Policy Highlights:

- OSD Reorganizations
- Cyber Command
- Bid Protest
- Security Cooperation Reform
- Accessing Commercial/Non-Traditional Suppliers
- Preference for Fixed-Price Contracts
- Defense Innovation –OSA and IP Changes

- ***Top line (House Version):** Funds DoD at \$610 billion, takes out \$18 billion from OCO and puts it in base – next President will decide whether or not to restore those funds.

Key Small Business Provisions in NDAA **NDIA**

Senate (S.2943):

- Sec. 818: Codifies authority to conduct comprehensive small business subcontracting plans
- Sec. 838: Counts first and second-tier subcontracts on MDAPs towards Department's overall small business goals
- Sec. 884: Codifies longstanding exemption in FAR that small business set-asides are not applied to overseas contracts

House (H.R. 4909):

- Sec. 1821: Tightens requirement for "good faith" compliance with small business subcontracting plans
- Sec. 1822: Establishes pilot for first-tier small business subcontractors to gain past-performance credit from SBA

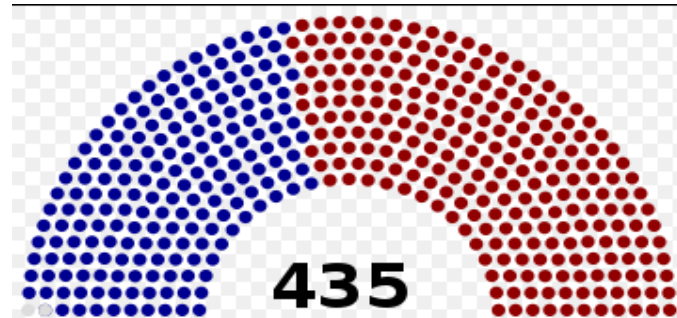
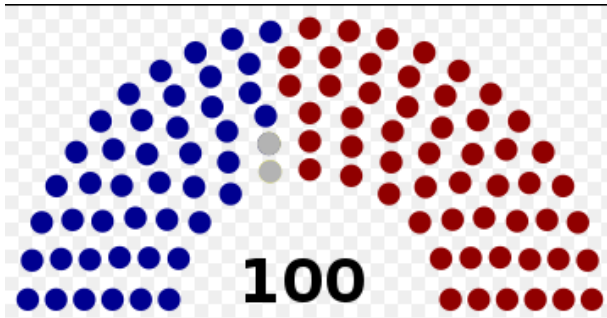
“Acquisition Agility Act”

- Chairman Thornberry wants to provide DoD greater “agility” to maintain technological superiority in a rapidly evolving threat environment and keep up with the accelerating pace of technological innovation by:
 - Differentiating between platform and components;
 - Requiring modular open systems architecture;
 - Clarifying intellectual property rights;
 - Providing Services Milestone Decision Authority for joint programs.
- NDIA submitted recommendations that address the following concerns:
 - Lack of recognition for the role of systems integrators;
 - Rigidity of the MOSA requirement;
 - Bureaucracy created and required for implementation.

Issues Facing Congress – “Lame Duck”

- APPROPRIATIONS/ CR or Omnibus?
- TRADE (*TPP and T-TIP*)
- NDAA and ACQUISITION REFORM
- ZIKA FUNDING
- FOREIGN POLICY (*ISIS, Middle East, N. Korea, Russia, China*)
- SCHOOL NUTRITION PROGRAMS
- CRIMINAL JUSTICE REFORM
- **ELECTIONS!**

2016 Elections

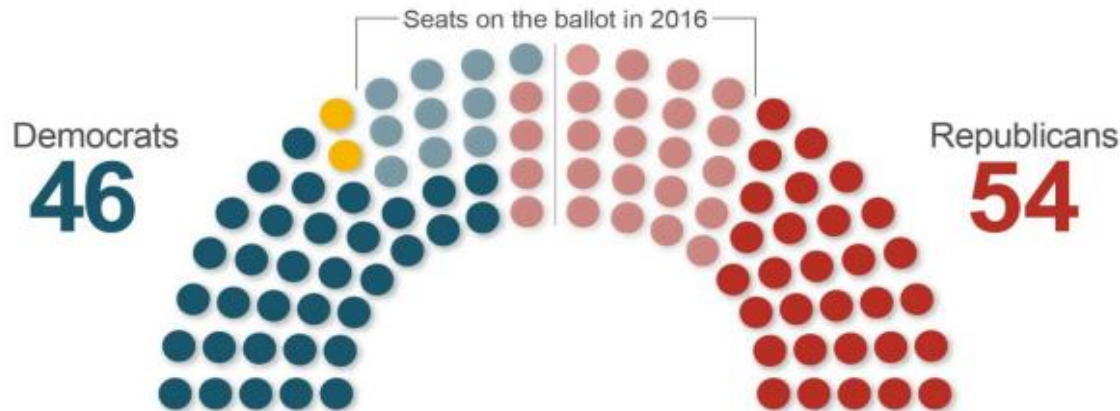


2016 Elections

DEMOCRATS NEED A NET OF FIVE SEATS TO WIN CONTROL OF THE SENATE

If there's a 50/50 split, as there was in early 2001, control would depend on who wins the White House, because the vice president would break the tie

Senate Balance of Power: 114th Congress

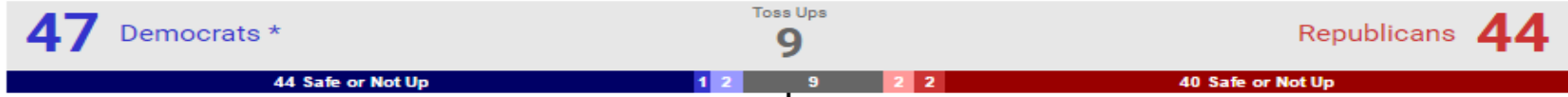


Note: Independents, shown in yellow, caucus with the Democrats and are included in the Democratic tally.

Source: Bloomberg Government | Graphic: Catherine Traywick

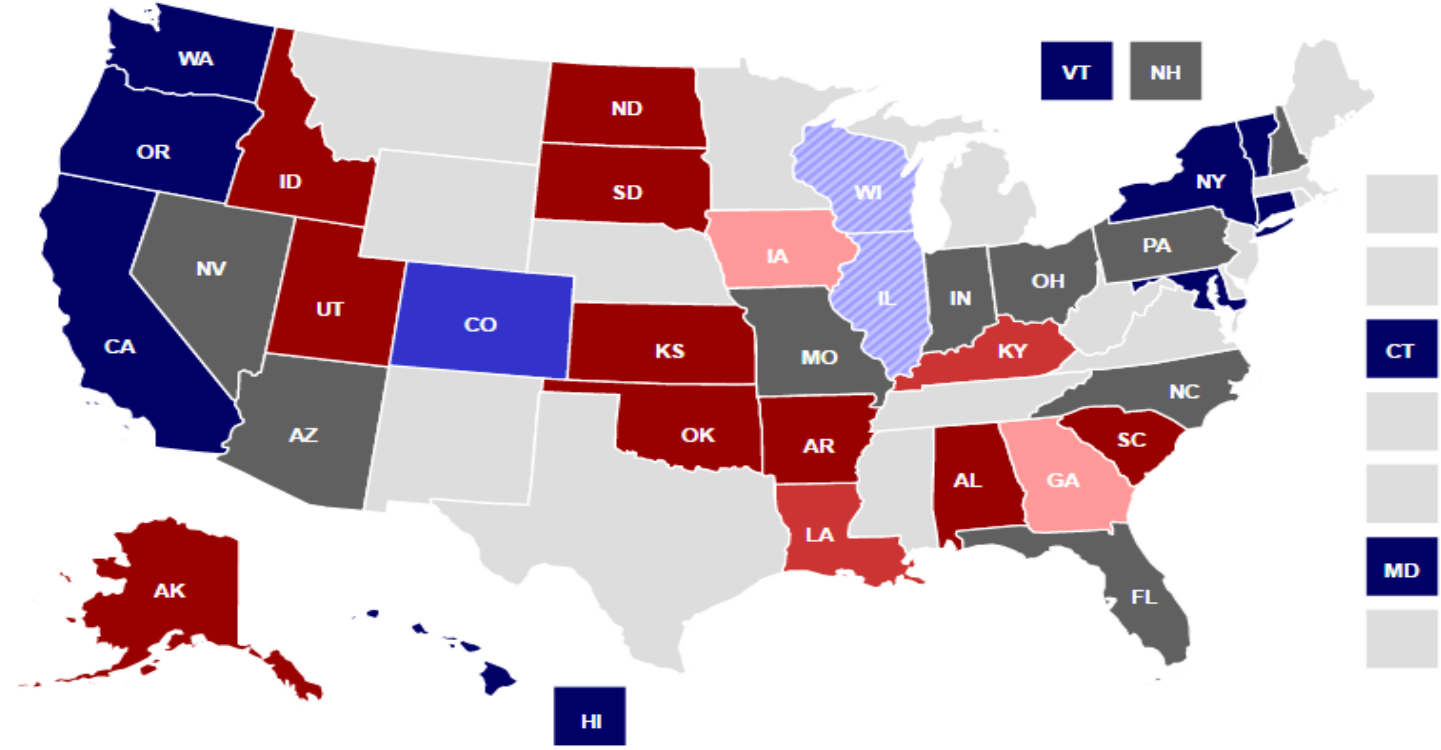
Bloomberg GOVERNMENT

2016 Elections



51 Seats Needed For Majority

Likely Dem	Leans Dem	Toss Up	Leans GOP	Likely GOP
CO: Bennet (D) Safe Dem Seats	IL: Kirk (R) WI: Johnson (R)	AZ: McCain (R) FL: Rubio (R) IN: Open (R) MO: Blunt (R) NV: Open (D) NH: Ayotte (R) NC: Burr (R) OH: Portman (R) PA: Toomey (R)	GA: Isakson (R) IA: Grassley (R)	KY: Paul (R) LA: Open (R) Safe GOP Seats



Questions?

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