

UNITED STATES TRANSPORTATION COMMAND



Reporting Period: 28 Nov – 19 Dec 17

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ENVIRONMENT ON THE HILL:

Despite sexual assault and harassment issues and investigations into Russia's involvement in the election consuming much of Congress's attention; Republican were able to finalize a tax reform bill expected to pass and be signed by the President this week.

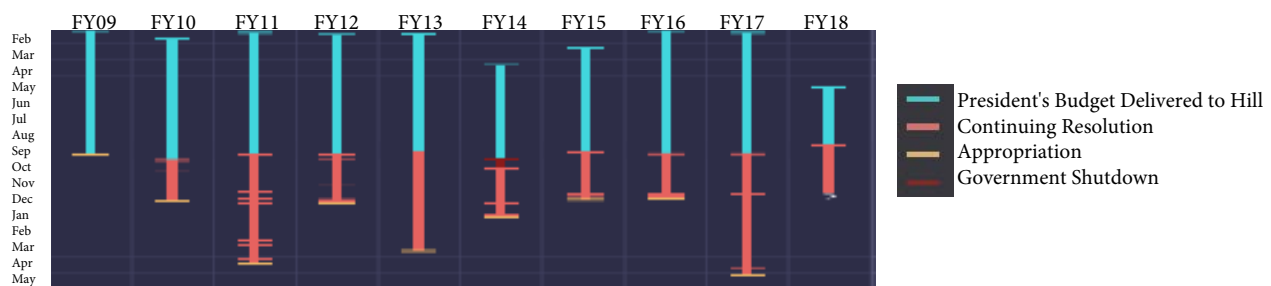
The bad news is there will be little time for them to celebrate with the rapidly approaching deadline for action before the expiration of the second Continuing Resolution (CR) on 22 December. Anything other than another CR into January seems unlikely. Attempts for full-year DoD funding and a CR for everything else will meet strong opposition in the Senate and could set up a fight leading to a government shutdown.



The DoD has long criticized the negative impacts on military readiness and long term programs of CRs. Secretary of the Navy, Richard Spence recently stated that CRs have cost the Navy "enough to buy a squadron of F-35 Joint Strike Fighter aircraft." He went on to say "Since 2011, we have put \$4 billion in a trash can, put lighter fluid on top of it and burned it."

The Center for a New American Security recently published a report (["A Brief History of Defense Budget Instability"](#)) on the impacts of CR on the DoD.

"... Department of Defense (DoD) has lurched from one budgetary crisis to another for nearly a decade." "This defense budgetary instability is national self-harm on an epic scale."



Interactive chart; budget submission through final Appropriations bill by FY

The National Defense Authorization Act (NDAA):

Signed, sealed, and delivered -- the President signed the NDAA ([H.R. 2810](#)) on 12 December. He also release a "[Signing Statement](#)" in which he objected to parts of the NDAA. The \$700B authorization act far exceeds the Budget Control Act's FY2018 limit of \$549B for the DoD.

Appropriations: Still conferencing... However, House Republicans recently indicated they are considering a defense bill to fund the DoD for FY2018 and fund everything else through 19 Jan 2018

in a third CR. Senate Democrats are not expected to support this as they would lose leverage for non-defense spending (proportional increases/relief from the BCA limits).

Tax Bill:

Republicans agreed on language in the Tax Cuts and Jobs Act (H.T. 1) – The House vote is expected on Tuesday followed quickly by the Senate; then to the President this week.

Here are [Highlights](#); and the full document ([Tax Cuts and Jobs Act](#)).

SENATE ACTIONS ON NOMINATIONS & CONFIRMATIONS:

Recently Approved:

Kirstjen Nielsen to be Secretary of Homeland Security

Emily Webster Murphy to be Administrator of General Services

Owen West to be an Assistant Secretary of Defense

Pending Floor Vote:

Randall G. Schriver to be an Assistant Secretary of Defense

Ronald L. Batory to be Administrator of the Federal Railroad Administration

Paul Trombino III to be Administrator of the Federal Highway Administration

Raymond Martinez to be Administrator of the Federal Motor Carrier Safety Administration

John C. Rood to be Under Secretary of Defense for Policy

Pending Committee:

Michael D. Griffin to be a Principal Deputy Under Secretary of Defense

Alex A. Beehler to be an Assistant Secretary of the Army

R. D. James to be an Assistant Secretary of the Army

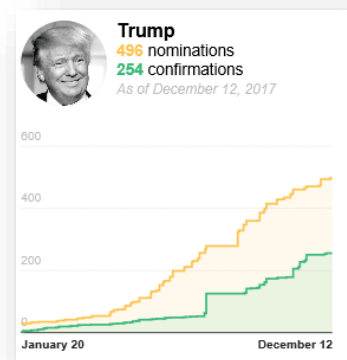
Dean L. Winslow to be an Assistant Secretary of Defense

John Henderson to be an Assistant Secretary of the Air Force

Gregory J. Slavonic to be an Assistant Secretary of the Navy

Phyllis L. Bayer to be an Assistant Secretary of the Navy

For latest appointee count see CNN's "[Tracking Trump's Nominations](#)"



RECENT HEARINGS OF INTEREST:

Hearing Date	Hearing Topic	Committee
30/11/ 17	Future National Defense Strategy	Senate Armed Service Committee
07/12/17	Emerging Tech in Trucking Industry	House Trans & Infrastructure Committee
07/12/17	DoD Acquisition Reform Efforts	Senate Armed Service Committee
12/12/17	Digital Decision-Making: The Building Blocks of Machine Learning and Artificial Intelligence	Senate Commerce, Science & Transportation Committee
13/12/17	Using Force: Strat., Pol., & Legal Considerations	Senate Foreign Relations Committee

KEY DATES:

08 Feb '18 - Congressional Update Course (Georgetown University's Gov. Affairs Institute) (**Seay**)
Explains/analyzes major events that have occurred in First Session of a Congress, and examine what is likely to occur in Second Session. Topics include: legislative accomplishments of the First Session; progress report on membership, leadership, & committees; forecast of anticipated legislative agenda for the Second Session; and explanation and analysis of issues concerning the federal budget.

8-11 Jan '18 - House Permanent Select Committee on Intelligence (HPSCI) Staff Visits

- 08-09 Jan: Visit with USTRANSCOM staff
- 09 Jan: (PM) Visit with AMC
- 10 Jan: (AM) Visit with SDDC
- 11 Jan: (AM) Visit with MSC
- 11 Jan: (PM) Visit with JECC

30 Jan '18 - State of the Union

Early 2018 (Date TBD) - (Tentative) **SASC Staff Directors Visit**

Mid Feb '18 (Date TBD) - **HASC/SASC Staffers visit to USTRANSCOM**


1, 6, 8 Mar '18 - Possible TCCC HASC and SASC Testimony Dates (Tentative)

CONGRESSIONAL CALENDAR:

DECEMBER				
M	T	W	T	F
				1
4	5	6	7	8
11	12	13 Hanukkah begins	14	15
18	19	20 Hanukkah ends	21	22
25 Christmas	26	27	28	29

JANUARY				
Mon.	Tues.	Wed.	Thurs.	Fri.
1 New Year's Day	2	3	4	5
8	9	10	11	12
15 MLK Day	16	17	18	19
22	23	24	25	26
29	30 State of the Union	31		

 Both chambers in session

 Senate only in session

MISCELLANEOUS INFO:

Are you traveling out to Washington D.C. and need a place to work from, check email, store luggage while in meetings? USTRANSCOM members can call our Legislative Affairs D.C. team (Col William "Doug" Hall or Lt Col Chris Thackaberry at (571) 312-8926/8854) to schedule a visit. The office is just a ~7 minute drive from the Pentagon.

EMAIL: transcom.scott.tccc.list.la@mail.mil

PHONE: (618) 220-4811 (571) 312-8926 (D.C. OFFICE)

REPORTS TO CONGRESS:

Due Date	Requirement	Description
1 Mar 18	Authority to Purchase Used Vessels (OPR: Sec Navy)	Assessment of the RRF and Surge Fleet, acquisition strategy, program of record associated with the CHAMP program, and legislative authority needed for the sealift recapitalization.
5 Mar 18 (Briefing)	Cloud Computing (OPR: DOD CIO)	Efforts to coordinate with the acquisition community, encourage the use of cloud computing in wargaming and military exercises, and an assessment of the DoD's current cloud strategy and security requirements.
1 Apr 18	Report on Defense Combat Logistics and Strategic Mobility Forces (OPR: Sec Navy)	The report is to include a description of potential warfighting planning scenarios, capacity that may be required due to losses from attacks, projected subsurface threats, defending the forces, and capability gaps or risk areas and a solution to the gaps and risks. Strategic mobility forces in this report are Combat Logistic Forces, Ready Reserve Force, and MSC Surge Fleet.
12 Jun 18	Future Years Plan for the European Deterrence Initiative (OPR: SECDEF)	The plan is to include an analysis of the challenges to the ability of the U.S. States to deploy significant forces from the CONUS to the European theater in the event of a major contingency, and a description of the plans of the DoD, including military exercises, to address such challenges.
30 Sep 18	Mobility Capability & Requirements Study (OPR: SECDEF)	Briefing on the results of the study to include: (A) a detailed explanation of the strategy and associated force sizing and shaping constructs, associated scenarios, and assumptions used to conduct the analysis; (B) estimated risk based on CJCS risk management classifications; and (C) implications of operations in contested areas with regard to the Civil Reserve Air Fleet.
TBD (Fall 2018) (Briefing)	Railroads for National Defense (OPR: SDDC)	30 Days after release of Strategic Rail Corridor Network (STRACNET) report; SDDC commander to provide a briefing on STRACNET report analysis and findings.
7 Dec 18 (Briefing)	Assessment of Effectiveness of Cyber Reporting (OPR: SECDEF)	Assess compliance of industry, including the extent to which support tools to help small businesses with implementation of new cyber security and incident reporting have been effective.

GOA and DoD IG REPORTS:

Start Date:	Title:	Information/Status:
21 Aug 17 Audit Team: GAO	DoD management of the Airlift Readiness Account (ARA) in conjunction with the Transportation Working Capital Fund (TWCF)	-Objectives: Review USTRANSCOM oversight of TWCF and rate-setting procedure. How the AF pays its ARA bill during years in which ARA funding is not requested or cut. What steps the AF has taken to ensure the AF WCF receives appropriate funding if a cash shortfall occurs because of lack of fiscal year ARA funding. -Status: SME's providing due outs
10 Jul 17 Audit Team: DoD IG	Audit of the Trans-Africa Airlift Support Contract	-Objectives: To determine whether DoD components effectively developed requirements for the Trans-Africa Airlift Support Contract (TASC) -Status: SME's providing due outs
13 Oct 17 Audit Team: GAO	Federal Agencies' Progress in implementing cloud computing	-Objectives: Evaluate selected agencies' progress in implementing cloud services and determine to which extent the agencies have experienced cost savings. Describe agency reported examples of successful cloud migrations and deployments. -Status: O6/GS15 Coord of GAO questions answered by SME's
03 Aug 17 Audit Team: GAO	Emerging Threats of High National Security	Objectives: Identify and assess emerging threats that could affect the national security within each geographic combatant command, the extent to which the threats are highlighted in current national security defense strategies, and which department components are tasked to monitor and mitigate these threats. Status: Entrance conference completed. Anticipate a VTC with appropriate USTRANSCOM officials.
14 Jun 17 Audit Team: DoD IG	TWCF Financial Statements	-Objectives: Determine whether the financial statements and related note disclosures were fairly presented in all material respects and in conformity with accounting principles generally accepted in the US. -Status: Independent public accounting firm, Cotton & Company LLP, conducting audit.
16 Oct 17 Audit Team: GAO	Federal Response to 2017 Hurricanes	- GAO beginning work on its own initiative -Objectives: Provide information on federal, state, and local coordination efforts for the affected states, territories, and jurisdictions. -Status: Entrance conference completed. Anticipate a VTC with appropriate USTRANSCOM officials.
08 Nov 17 Audit Team: GAO	Combating Global Human Trafficking	-Objectives: Policies and guidance of the DoD with respect to the education and training on human slavery and the appropriate role of the US Armed Forces in combatting trafficking in persons. Report on all of the programs that address human trafficking and modern slavery, including a detailed analysis of the effectiveness of such programs. Status: Pending Entrance Conference.

RECENTLY COMPLETED GAO REPORTS OF INTEREST:

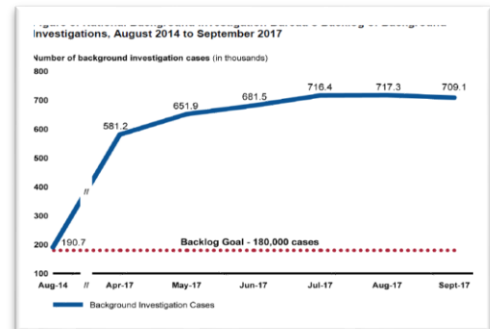
GAO report to Congress – [Personnel Security Clearances](#)

“Executive branch agencies have made progress reforming the security clearance process, but long-standing key initiatives remain incomplete.”

Table 1: Percent of Executive Branch Agencies Meeting Timeliness Objectives for the Fastest 90 Percent of Initial Cases for at Least Three of Four Quarters from Fiscal Years 2012-2016

Fiscal year	Initial secret investigations	Initial secret adjudications	Initial top secret investigations	Initial top secret adjudications
2012	27	51	78	65
2013	27	49	65	63
2014	20	45	55	57
2015	0	51	12	57
2016	2	35	12	43

Source: GAO analysis of ODNI timeliness information for specific executive branch agencies. | GAO-18-29



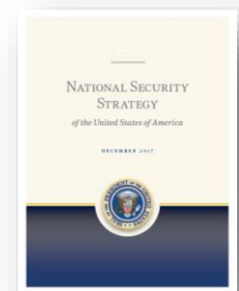
“While (National Background Investigations Bureau) NBIB has taken positive steps to improve its oversight of background investigation contracts, it faces operational challenges in reducing the **investigation backlog**—which grew from 190,000 cases in August 2014 to more than **709,000** in September 2017”

GAO report to Congress - [EUROPEAN REASSURANCE INITIATIVE -DOD Needs to Prioritize Posture Initiatives and Plan for and Report Their Future Cost](#)

“From fiscal year 2015 through fiscal year 2017, the Department of Defense (DOD) identified \$5.2 billion in funding for ERI as part of its overseas contingency operation (OCO) budget requests.² Most of this funding would be used to enhance posture—forces, footprint (locations and infrastructure), and host nation agreements—in Europe by funding increases in military presence, improving infrastructure, and prepositioning equipment.”

OTHER ITEMS OF INTEREST:

NSS released: “... [National Security Strategy](#) lays out a strategic vision for protecting the American people and preserving our way of life, promoting our prosperity, preserving peace through strength, and advancing American influence in the world.”



CRS - [Coast Guard Polar Icebreaker Modernization](#): Background and Issues for Congress

Vice Admiral Charles Michel ...“Polar icebreakers are critical to supporting key national priorities laid out in the National Security Presidential Directive on Arctic Region policy and the National Strategy for the Arctic Region.” “Coast Guard needs at least two heavy icebreakers to provide year-round assured access and self-rescueability in the polar regions.”



CBO - Analysis of the Long-Term Costs of the Administration's Goals for the Military

CBO estimates that inflation-adjusted costs for the Department of Defense would climb from the \$575 billion requested in 2018 to \$688 billion in 2027 if DoD pursued goals that Administration officials have articulated for the military.

<https://www.cbo.gov/system/files/115th-congress-2017-2018/reports/53350-costsofadministrationsgoalsformilitary.pdf>

TSA Week in Review: November 20th - 26th :



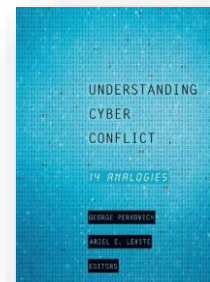
Firearms Discovered in Carry-On Bags (Not Checked Baggage)					
Date	Airport	Caliber	Loaded	Round Chambered	
11/20/17	ATL	22	Y	Y	
11/20/17	TUL	380	Y	Y	
11/20/17	MIA	9mm	Y	N	
11/20/17	DFW	9mm	Y	N	
11/26/17	BHM	38	Y	N	
11/26/17	ABQ	9mm	Y	N	
11/26/17	RDU	9mm	Y	N	
11/26/17	IAH	9mm	N	N	
			Loaded	Unloaded	Chambered
			50	7	19
Total Firearms - 57					

<https://www.tsa.gov/blog/2017/11/29/tsa-week-review-november-20th-26th>

Understanding Cyber Conflict: 14 Analogies

“Because defenses against cyber intrusion and attack are not perfect, and the spread of offensive capabilities cannot be blocked with confidence, states and major private enterprises must invest in resiliency.”

“Resiliency will mean and require different things in different contexts—that is, in the military, the financial sector, the energy sector, and so on.”



Congressional Budget Office (CBO) report – “Federal Debt and the Statutory Limit, November 2017”

“Under current law, on December 9, federal debt will be at the statutory limit and the Treasury will need to use “extraordinary measures” to continue to raise cash. Those measures would probably be exhausted in late March or early April.”

Army launches direct commissioning program for civilian cybersecurity experts (Star and Stripes)

“..., the Army began developing the pilot program based on other direct-commission programs for medical doctors, lawyers and chaplains,” “services have allowed direct commissions at ranks as high as colonel. However, at least initially, candidates chosen to directly commission into the service will start their Army career as second lieutenants.” ... “that could change as the Army examines its processes during the pilot program.”

<https://www.stripes.com/news/army-launches-direct-commissioning-program-for-civilian-cybersecurity-experts-1.500949>

U.S. Department of Transportation Strategic Plan for FY 2018 -2022 (public comment version)

“...Strategic Plan establishes the strategic goals and objectives for the DOT...”

SAFETY: Reduce Transportation-Related Fatalities and Serious Injuries Across the Transportation System.

INFRASTRUCTURE: Invest in Infrastructure to Ensure Mobility and Accessibility and to Stimulate Economic Growth, Productivity and Competitiveness for American Workers and Businesses.

INNOVATION: Lead in the Development and Deployment of Innovative Practices and Technologies that Improve the Safety and Performance of the Nation’s Transportation System.

ACCOUNTABILITY: Serve the Nation with Reduced Regulatory Burden and Greater Efficiency, Effectiveness and Accountability.

NATO, EU agree mobilizing troops faster is a priority (Star and Stripes)

“NATO and the EU are now looking for ways to create more bureaucratic uniformity that would remove obstacles that slow convoys.” “In addition, NATO and Europe have agreed infrastructure, particularly in NATO’s east, needs to be capable of handling heavy military vehicles.”

“Moving our forces and equipment quickly is vital for our security. This means we need procedures for rapid border crossing,” NATO Secretary-General Jens Stoltenberg

Sprint ‘quietly’ to the Cloud

Bloomberg reported 12 Dec, that in an e-mail from Ellen Lord she stated to senior DoD leaders that “It is imperative that no one speaks outside the Department” regarding the Pentagon’s initiative to move to cloud computing. The e-mail went on to state; “This memo is effective immediately and is especially pertinent to those attending/speaking at external engagements with members outside the government.”

<https://www.bloomberg.com/news/articles/2017-12-12/pentagon-s-cloud-transition-under-hush-order-from-weapons-buyer>

Professional Services Council (PSC) response to DoD’s RFI on Cloud.

