



SUMMARY: Sen. Kelly Secures Key Arizona Priorities in Annual Defense Bill

As a 25-year Navy combat veteran and member of the Senate Armed Services Committee, Arizona Senator Mark Kelly has spent the last year shaping, negotiating and writing the FY23 defense bill that is now on its way to the President's desk for his signature.

For a full breakdown of Senator Kelly's NDAA priorities, see below. More information on the NDAA at-large can be found [here](#).

ARIZONA'S MILITARY INSTALLATIONS & DEFENSE COMMUNITY

- **Compass Call and Future Planning at Davis-Monthan Air Force Base:** Senator Kelly delivered results to help secure the long-term future of Davis-Monthan Air Force Base. While the initial budget this year failed to fund the Compass Call transition to upgrade electronic warfare capabilities in the Air Force, budgeting for no conversions of the aircraft this year, Kelly's advocacy advanced full funding for four modernized Compass Call aircraft which is included in the bill. This program will be critical to maintaining our edge over China and will be an enduring mission, based at Davis-Monthan. Kelly also successfully included language that prioritizes bases like Davis-Monthan as the Air Force determines basing for future flying missions.
- **F-35 Procurement and KC-135 Aircraft Transfer Planning:** After the military requested fewer F-35s than were previously planned, Kelly secured an increase to procure more F-35 combat aircraft. The F-35 is flown at Luke Air Force Base and MCAS Yuma. Kelly has consistently supported efforts keeping procurement on track as Luke prepares to receive additional squadrons of F-35s. Kelly also directed the Secretary of the Air Force to develop a plan for the transfer of certain KC-135 aircraft to the Air National Guard. This may open consideration of units in Tucson to receive additional refueling aircraft in the future.
- **Military Construction Projects:** Kelly secured over \$53 million for Arizona projects.
 - \$22 million to acquire land and build a new entry gate at Morris Air National Guard Base, which will improve security and traffic for the base and local community.
 - \$8 million to construct the new 610th Command and Control Squadron (CACS) facility at Davis-Monthan that will sustain 24/7 cyber-support for US Strategic Command.
 - \$7.5 million to expand the current Combat Rescue Helicopter Simulator facility at Davis-Monthan to support the high operational tempo of the 55th Rescue Squadron.

- o \$6.5 million to complete the Ready Building at Yuma Proving Ground that will support the U.S. Army Special Operations Command (USASOC) Military Free Fall School.
- o \$4.75 million to begin planning and design work for an expansion and acceleration of the Luke Air Force Base Child Development Center to provide on-base childcare, an urgent need for Luke families.
- o \$5 million for the planning and designing of a replacement water treatment plant at MCAS Yuma.

Kelly also added [language](#) encouraging the Army to work with the State of Arizona to complete the widening of U.S. Highway 95 and assist in identifying funding to support the project, which will help alleviate dangerous traffic and improve access to Yuma Proving Ground.

- **Increased Readiness Protection Funding:** Kelly successfully advocated for a \$6 million increase in Readiness and Environmental Protection Integration (REPI) program funding that helps address land-use near installations and improve military readiness. Kelly added language directing the Department of Defense (DOD) to consider projects that protect groundwater supplies at test ranges and installations supporting military modernization efforts. This program supports ongoing work in places like Fort Huachuca and Naval Observatory Flagstaff, both of which were [awarded](#) funding for REPI initiatives this year.
- **Addressing PFAS in Drought-Stricken Areas:** Kelly successfully added [language](#) underscoring the unique challenges of PFAS in drought-stricken regions and requiring DOD to update Congress on the status of related PFAS remedial investigations in communities experiencing the effects of drought.
- **Continued Support for Arizona's Defense Community:** With the Senator's support, the bill authorizes funding to continue support for critical Arizona-manufactured and supported programs, including:
 - o The AH-64 Apache helicopter which are built with contributions from nearly 60 Arizona suppliers;
 - o Prophet Enhanced ESP Kits made with contributions from 8 Arizona suppliers;
 - o The F-15EX aircraft which are built in Arizona with contributions from 28 supplier companies;
 - o MQ-25 Stingrays for which Arizona suppliers perform engineering design and wire bundle fabrication;
 - o Continued funding for the ENVG-B night vision system made partially in Arizona; and
 - o Continued research and development funding for the Arizona-made CH-47 Chinook 714C helicopter engines.

MAINTAINING THE UNITED STATES' COMPETITIVE EDGE

Through his role as Chair of the [Subcommittee on Emerging Threats and Capabilities](#), Kelly secured major priorities in the following categories:

Creation of an Irregular Warfare Center:

Kelly has led on the creation of a Center for Security Studies in Irregular Warfare. The Center would serve as a central hub for developing knowledge and understanding of irregular warfare through research, education, and external engagement across our government, civil society, and foreign partners. Following Kelly's advocacy, the bill requires the Department of Defense to provide details on how it intends to structure and operate the center and provides new authorities to hire personnel and authorizes a funding increase in preparation for the Center's establishment. Kelly also led a unanimously agreed to amendment expressing Congress' view that the Center should be named in honor of the late Arizona Senator John McCain.

Improving and Scaling-Up Programs to Advance Key Technologies:

- [Advancing](#) AI, quantum, microelectronics, electronic warfare, hypersonics and other key technology efforts;
- Authorizing the [expansion](#) of the Mission Accelerator Center (MAC) pilot to a national network of innovation hubs in states like Arizona;
- Ensuring the Defense Civilian Training Corps leverages the unique, interdisciplinary community of universities and faculty within the Acquisition Innovation Research Center;
- Increasing funding for the Defense Established Program to Stimulate Competitive Research Awards (DEPSCoR), a program that awards research funding to institutions like Arizona universities that helps establish partnerships and talent pipelines with defense laboratories.

Countering China and Russia: Kelly worked with his colleagues to ensure that actions were taken to counter the influence of China and Russia.

- Require engagement with the Ministry of Defense of India to expand cooperation on emerging technology, readiness, and logistics. Kelly visited India with a Congressional Delegation earlier this year where he met with US and Indian national security officials to discuss opportunities to expand US-India security cooperation
- Authorize an increase of \$188.9 million for advanced undersea capability;
- Maintain support for the Pacific Deterrence Initiative (PDI) and strength security cooperation in the Indo-Pacific, including with \$11.5 billion in investments in support of PDI objectives;
- Require an assessment of Chinese acquisition of port infrastructure and other Chinese investments worldwide that impact U.S. national security;
- Require DOD to provide Congress with a plan to improve defense cooperation with Caribbean nations to combat Chinese influence;
- Express congressional support for the U.S. defense relationship with Taiwan, require additional measures to improve readiness related to Taiwan, and support the use of joint military exercises including the 2024 Rim of the Pacific exercise;
- Extend the Kelly-backed prohibition on military-to-military cooperation with Russia for 5 years;
- Include the following pieces of standalone pieces of legislation:
 - *Stop Russian GOLD Act*, which would impose sanctions on persons who knowingly participate in a significant transaction of gold with Russia;
 - *Isolate Russian Government Officials Act of 2022*; and
 - *Ukraine Invasion War Crimes Deterrence and Accountability Act*.

Continued Support for Ukraine: *As a strong supporter of Ukraine's efforts to fight back against Russia's illegal war, Kelly fought successfully to:*

- Extend the Ukraine Security Assistance Initiative (USAI) and authorize \$800 million in fiscal year 2023, an increase of \$500 million above the President's budget request;
- Authorize the full fiscal year 2023 budget request for the European Deterrence Initiative (EDI) to further help Eastern European allies deter Russia from further incursion into Europe;
- Authorizes the acquisition of additional lethal unmanned aerial vehicles (drones) for Ukraine;
- Expedite the delivery of critical military weapons to Ukraine and the replenishment of associated United States stocks by streamlining acquisition requirements;
- Authorizes the Director of the Defense Intelligence Agency to establish a program to increase the warning time of potential aggression by adversary nation states;
- Require a report on DOD plans for the provision of security assistance to Ukraine in the short and medium term;
- Require an assessment of the U.S. force posture and resourcing needed to implement the National Defense Strategy in Europe and uphold U.S. commitments to NATO.

Protecting Critical Mineral Supply Chains: *In January, Kelly [introduced](#) the Restoring Essential Energy and Security Holdings Onshore for Rare Earths (REEShore) Act with Senator Tom Cotton (R-AR). Kelly and Cotton secured a bipartisan agreement to include REEShore Act provisions in the bill, including:*

- Providing \$1 billion to the National Defense Stockpile to acquire rare earth elements and other critical minerals, to protect the U.S. supply chains from disruptions from foreign adversaries;
- Expanding DOD authority to acquire critical minerals without prior authorization;
- Requiring Department of Defense contractors to make country-of-origin disclosures for all rare-earth magnets used in systems for DOD;
- Expanding prohibitions on the acquisition of materials containing critical minerals produced or refined by Chinese military companies;
- Requiring the Government Accountability Office to assess DOD's efforts to reduce dependence on critical minerals produced or refined in hostile countries, like China.

Creating a Microelectronics Network:

In order to secure supply chains for microchips, which go into nearly all weapons systems, Kelly has advanced major research and development provisions that would require DOD to establish a network to support microchip research, testing, and workforce development in coordination with industry and universities, including with institutions like Arizona State University, which is within 30 miles of several major electronic manufacturing plants.

In this year's defense bill, Kelly secured language requiring the Secretary of Defense to set up a government-industry working group on microelectronics and advance efforts on next-generation microelectronics. Kelly also secured another \$5 million for the National Network for Microelectronics Research and Development.

This investment builds on the \$52 billion [Kelly-led plan](#) to create high-paying jobs and strengthen national security by increasing the manufacturing and development of microchips in Arizona and America that became law this year.

Combatting Transnational Crime and Improving Border Security:

As a border state, Arizona faces unique national security challenges, which is why Kelly worked on the defense bill to:

- Fully fund the National Guard's operation and maintenance account to support a southwest border deployment;
- Require quarterly briefings to Congress on DOD support for the Department of Homeland Security at the southwest border, as well as a report on National Guard efforts to counter the flow of narcotics, human trafficking, and transnational criminal organizations at the border; and
- Require the President to submit a report to Congress on security and law enforcement cooperation with Mexico, multinational efforts to strengthen judicial processes against cartels, and an assessment of national security impacts of cartel-controlled areas and activities.

Additionally, the following border security bills Kelly introduced and supported were added to the NDAA and will become law:

- Kelly's *Securing America's Borders Against Fentanyl Act*, which would require the Department of Homeland Security (DHS), with relevant agencies, to research and develop technologies and strategies aimed at targeting and detecting illicit fentanyl trafficked into the United States before it reaches communities..
- Kelly-backed *DHS Illicit Cross-Border Tunnel Defense Act*, which would require Customs and Border Protection (CBP) in DHS to develop a strategic plan for identifying and remediating cross-border tunnels often used by transnational criminal organizations to traffic drugs, weapons, and money across the Southern border.

INVESTING IN OUR PEOPLE

In this year's bill, Kelly successfully required the Department of Defense to:

- Provide a 4.6% pay raise for our servicemembers, the largest in 20 years;
- Report on its progress in enacting Kelly's *Brandon Act* that will combat the military suicide epidemic;
- Establish more robust healthcare options for military families;
- Expand the Department's mental health and suicide prevention efforts;
- Expand eligibility for Basic Needs Allowance for low-income servicemembers;
- Support military spouses' moving and relicensing expenses;
- Provide \$250 million to reduce costs of food and other necessities at military commissaries;
- Plan an upgrade to Luke Air Force Base's Child Development Center and pursue improvements to childcare coverage across the military;
- Support education initiatives, including STARBASE at Davis-Monthan;

- Increase Impact Aid program funding, which benefits Arizona schools including the Fort Huachuca School District and Sierra Vista Public Schools.

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