

AMENDMENT TO RULES COMMITTEE PRINT 117-

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OFFERED BY MR. BACON OF NEBRASKA

At the end of subtitle B of title IX, add the following new section:

1 **SEC. 9___ . STUDY AND REPORT ON PASS-THROUGH BUDG-**
2 **ETING.**

3 (a) **STUDY AND REPORT ON PASS-THROUGH BUDG-**
4 **ETING.—**

5 (1) **STUDY REQUIRED.—**The Secretary of De-
6 fense shall seek to enter into an contract or other
7 agreement with an independent research organiza-
8 tion pursuant to which the organization will conduct
9 a study on the effects of pass-through budgeting on
10 the Department of the Air Force and other organi-
11 zations and elements of the Department of Defense.

12 (2) **ELEMENTS.—**The study under paragraph
13 (1) shall include the following:

14 (A) For the period from fiscal year 2001
15 through fiscal year 2021—

16 (i) the total amount of funds re-
17 quested by each military department (as
18 set forth in the budget of the President for

1 each such fiscal year as submitted to Con-
2 gress pursuant to section 1105(a) of title
3 31, United States Code), not including
4 amounts subject to pass-through budg-
5 eting; and

6 (ii) the total amount of funds appro-
7 priated to each military department, not
8 including amounts subject to pass-through
9 budgeting.

10 (B) For the period covered by the most re-
11 cent future-years defense program submitted to
12 Congress under section 221 of title 10, United
13 States Code, an analysis of the positive and
14 negative effects of pass-through budgeting on—

15 (i) the budget of the Department of
16 the Air Force; and

17 (ii) the budgets of other military de-
18 partments, including the Armed Forces.

19 (C) A determination as to whether pass-
20 through budgeting creates an inaccurate im-
21 pression among members of the public, Con-
22 gress, and policy makers concerning—

23 (i) the actual level of funding allo-
24 cated to the Department of the Air Force
25 over which it has spending authority; and

1 (ii) the actual level of funding allo-
2 cated to Defense-wide accounts.

3 (D) A determination as to whether any in-
4 accurate impressions identified under subpara-
5 graph (B) are detrimental to the mission of the
6 Department of the Air Force.

7 (E) A recommendation as to whether the
8 funds included in the budget of the Department
9 of the Air Force that are subject to pass-
10 through budgeting should instead be included in
11 a separate accounting line within that budget or
12 allocated to another Defense-wide account.

13 (3) REPORT.—Not later than February 15,
14 2023, the Secretary of Defense shall—

15 (A) submit to the congressional defense
16 committees a report on the results of the study
17 conducted under paragraph (1); and

18 (B) make such report available on a pub-
19 licly accessible website of the Department of
20 Defense.

21 (4) FORM OF REPORT.—The report required
22 under paragraph (1) shall be submitted in unclassi-
23 fied form but may include a classified annex. Any
24 classified annex included with such report shall not
25 be subject to disclosure under paragraph (3)(B).

1 (b) IDENTIFICATION OF FUNDS SUBJECT TO PASS-
2 THROUGH BUDGETING IN ANNUAL BUDGET RE-
3 QUESTS.—Beginning with fiscal year 2024, in the budget
4 justification materials submitted to Congress in support
5 of the Department of Defense budget for each fiscal year
6 (as submitted with the budget of the President under sec-
7 tion 1105(a) of title 31), the amount requested for each
8 military department shall include a separate line item that
9 clearly identifies any amounts requested for such depart-
10 ment that are subject to pass-through budgeting.

11 (c) DEFINITIONS.—In this section:

12 (1) The term “independent research organiza-
13 tion” means an organization outside the Federal
14 Government that is not a federally funded research
15 and development center.

16 (2) The term “pass-through budgeting” means
17 the practice by which certain funds allocated for a
18 military department are subject to the authority of
19 other departments and agencies of the Federal Gov-
20 ernment but are included in the overall budget of
21 the military department despite that department’s
22 lack of authority over such funds.

