AMENDMENT TO THE RULES COMMITTEE PRINT
FOR H.R. 1735
OFFERED BY MR. CALVERT OF CALIFORNIA

At the end of title XI (page 534, after line 23), add
the following new section:

SEC. 1106. LIMITATION ON NUMBER OF EMPLOYEES IN THE
DEPARTMENT OF DEFENSE.

(a) LIMITATION ON FTEs.—

(1) IN GENERAL.—Notwithstanding the re-
quirements of section 129 of title 10, United States
Code, and consistent with the requirements of sub-
section (d), in each of fiscal years 2022 through
2026, the number of full-time equivalent civilian po-
sitions in the Department of Defense may not be
greater than 85 percent of the number of such posi-
tions at the Department as of September 30, 2016,
as determined by the Director of the Office of Per-
sonnel Management.

(2) SES.—Of the positions permitted pursuant
to paragraph (1) for fiscal years 2022 through 2026
at the Department of Defense, not more than 1,000
may be career appointee (as defined in section
3132(a)(4) of title 5, United States Code) positions within the Senior Executive Service.

(b) VOLUNTARY REDUCTIONS.—To achieve the reductions in personnel required by subsection (a), the Secretary of Defense may exercise the authority provided for—

(1) voluntary separation incentive payments (subchapter II of chapter 35 of title 5, United States Code); and

(2) voluntary early retirement payments (sections 8336(d)(2)(D) and 8414(b)(1)(B) of such title).

(c) INVOLUNTARY REDUCTIONS.—

(1) IN GENERAL.—Beginning on October 1, 2016, if voluntary reductions are inadequate to achieve the limitations provided in subsection (a), the Secretary of Defense shall separate employees using involuntary measures, including reductions in force.

(2) RIF APPLICATION.—Notwithstanding any other provision of law, rule, or regulation, when applying retention factors with respect to any employee during any reduction in force under paragraph (1), the Secretary of Defense shall assign greater weight to the performance factor over the other factors if
such employee has a summary rating level of “fully
successful” or better.

(d) **ADJUSTMENT OF LIMIT.**—

(1) **DETERMINATION.**—As soon as practicable
after the start of each of fiscal years 2022 through
2026, the Secretary of Defense shall determine the
difference (if any), expressed as a percentage, be-
tween the permanent active duty end strength min-
imum levels in effect under section 691(b) of title
10, United States Code, for the current fiscal year
and the preceding fiscal year.

(2) **ADJUSTMENT.**—On the date that the deter-
mination is made under paragraph (1), the Sec-
retary shall adjust the limitations provided under
subsection (a) with respect to the number of total
full-time equivalent positions and Senior Executive
Service positions by a percentage equal to the per-
centage determined under paragraph (1).

(3) **ACHIEVEMENT OF ADJUSTMENT.**—After
any adjustment under paragraph (2), in order to
achieve the adjusted limitation for the applicable fis-
cal year, the Secretary (as the case may be)—

(A) may hire individuals to occupy full-
time equivalent positions; or
(B) shall separate employees occupying such positions using the involuntary procedures provided under subsection (c).

(4) LIMITATION ON ADJUSTMENT.—No adjustment may be made under this subsection that would result in the number of full-time equivalent positions and Senior Executive Service positions to be greater than the limitations on the number of such positions provided under subsection (a).

(e) REPORTS.—

(1) SECRETARY OF DEFENSE.—The Secretary of Defense—

(A) shall include a report in the Secretary’s annual budget request for each of fiscal years 2018 through 2026 on the progress and impact of the requirements of this Act; and

(B) may, in addition to the report required under subparagraph (A), report to Congress on the impact of such requirements at any time throughout any of such fiscal years.

(2) GAO.—Not later than 3 years after the date of the enactment of this Act, the Administrator of General Services shall submit to Congress a re-
port examining the progress and impact of the requirements of this section.