

110TH CONGRESS  
1ST SESSION

# S. 179

To amend title 10, United States Code, to establish the position of Deputy Secretary of Defense for Management, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

JANUARY 4, 2007

Mr. ENSIGN (for himself and Mr. AKAKA) introduced the following bill; which was read twice and referred to the Committee on Armed Services

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## A BILL

To amend title 10, United States Code, to establish the position of Deputy Secretary of Defense for Management, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. DEPUTY SECRETARY OF DEFENSE FOR MAN-**  
4 **AGEMENT.**

5 (a) ESTABLISHMENT.—

6 (1) POSITION AND DUTIES.—

7 (A) Chapter 4 of title 10, United States  
8 Code, is amended—

1 (i) in section 131(b), by striking para-  
2 graph (1) and inserting the following new  
3 paragraph:

4 “(1) Two Deputy Secretaries of Defense, as fol-  
5 lows:

6 “(A) The Deputy Secretary of Defense.

7 “(B) The Deputy Secretary of Defense for  
8 Management.”; and

9 (ii) by inserting after section 132 the  
10 following new section 132a:

11 **“SECTION 132a. Deputy Secretary of Defense for**  
12 **Management**

13 “(a) ESTABLISHMENT.—(1) There is a Deputy Sec-  
14 retary of Defense for Management, appointed from civilian  
15 life by the President, by and with the advice and consent  
16 of the Senate, from among persons who have—

17 “(A) extensive executive level leadership and  
18 management experience in the private or public sec-  
19 tor;

20 “(B) strong leadership skills;

21 “(C) a demonstrated ability to manage large  
22 and complex organizations; and

23 “(D) a record of achieving positive operational  
24 results.

1       “(2) A person may not be appointed as Deputy Sec-  
2 retary of Defense for Management within 10 years after  
3 relief from active duty as a commissioned officer of a reg-  
4 ular component of an armed force.

5       “(3) The Deputy Secretary of Defense for Manage-  
6 ment shall serve for a term of seven years, except that  
7 the Deputy Secretary may be removed earlier if the Sec-  
8 retary of Defense determines under subsection (h)(2) that  
9 the Deputy Secretary’s performance has not been satisfac-  
10 tory.

11       “(b) GENERAL AUTHORITY.—(1) The Deputy Sec-  
12 retary of Defense for Management—

13               “(A) serves as the Chief Management Officer of  
14 the Department of Defense;

15               “(B) is the principal adviser to the Secretary of  
16 Defense on matters relating to the management of  
17 the Department of Defense, including defense busi-  
18 ness activities, to ensure departmentwide capability  
19 to carry out the strategic plan of the Department of  
20 Defense in support of national security objectives;  
21 and

22               “(C) performs such additional duties and exer-  
23 cises such other powers as the Secretary may pre-  
24 scribe.

1       “(2) The Deputy Secretary of Defense for Manage-  
2 ment takes precedence in the Department of Defense im-  
3 mediately after the Deputy Secretary of Defense.

4       “(3)(A) The Deputy Secretary of Defense for Man-  
5 agement shall act for, and exercise the powers of, the Sec-  
6 retary of Defense when—

7             “(i) the Secretary is disabled or there is no Sec-  
8 retary of Defense; and

9             “(ii) the Deputy Secretary of Defense is dis-  
10 abled or there is no Deputy Secretary of Defense.

11       “(B) The Deputy Secretary of Defense for Manage-  
12 ment shall act for, and exercise the powers of, the Deputy  
13 Secretary of Defense when the Deputy Secretary is dis-  
14 abled or there is no Deputy Secretary of Defense.

15       “(c) MANAGEMENT DUTIES.—To support the eco-  
16 nomical, efficient, and effective execution of the national  
17 defense objectives, policies, and plans of the Department  
18 of Defense, the Deputy Secretary of Defense for Manage-  
19 ment shall be responsible to the Secretary of Defense for  
20 the development, approval, implementation, integration,  
21 and oversight of policies, procedures, processes, and sys-  
22 tems for the management of the Department of Defense  
23 that relate to performance of the following functions:

24             “(1) Planning and budgeting, including per-  
25 formance measurement.

1           “(2) Acquisition.

2           “(3) Logistics.

3           “(4) Facilities, installations, and environment.

4           “(5) Financial management.

5           “(6) Human resources and personnel.

6           “(7) Management of information resources, in-  
7           cluding information technology, networks, and tele-  
8           communications functions.

9           “(d) DEFENSE BUSINESS REFORM.—For the func-  
10          tions specified in subsection (c), the Deputy Secretary of  
11          Defense for Management shall—

12               “(1) develop and maintain a departmentwide  
13               management strategic plan for business reform, and  
14               identify key initiatives to be undertaken by the De-  
15               partment of Defense and its components, together  
16               with related resource needs;

17               “(2) establish performance goals and measures  
18               for improving and evaluating overall economy, effi-  
19               ciency, and effectiveness;

20               “(3) monitor and measure the progress of the  
21               Department and its components in meeting estab-  
22               lished performance goals for improving economy, ef-  
23               ficiency, and effectiveness; and

24               “(4) review and approve plans and budgets for  
25               business reform, including any proposed changes to

1 policies, procedures, processes, and systems, to en-  
2 sure the compatibility of those plans and budgets  
3 with—

4 “(A) the overall strategic plan and budget  
5 of the Department;

6 “(B) the strategic plan for business reform  
7 of the Department; and

8 “(C) achievement of the integration of  
9 business activities throughout the Department.

10 “(e) DEFENSE BUSINESS SYSTEMS.—(1) In carrying  
11 out the duties of the position under this section, the Dep-  
12 uty Secretary of Defense for Management shall oversee  
13 the implementation of a defense business systems mod-  
14 ernization program including the expenditure of any funds  
15 appropriated for maintaining legacy systems and for mod-  
16 ernizing defense business systems.

17 “(2) The Deputy Secretary of Defense for Manage-  
18 ment shall—

19 “(A) oversee the development of, and shall re-  
20 view and approve, all budget requests for defense  
21 business systems, including the information to be  
22 submitted to Congress under section 2222(h) of this  
23 title; and

24 “(B) subject to the authority, direction, and  
25 control of the Secretary of Defense, perform the re-

1       sponsibilities of the Secretary under section 2222 of  
2       this title.

3       “(3) In this subsection, the terms ‘defense business  
4       system’ and ‘defense business system modernization’ have  
5       the meanings given to those terms in section 2222(j) of  
6       this title.

7       “(f) RELATIONSHIP TO OTHER DEFENSE OFFI-  
8       CIALS.—The Deputy Secretary of Defense for Manage-  
9       ment exercises the authority of the Secretary of Defense  
10      in the performance of the duties of the Deputy Secretary  
11      under this section, subject to the authority, direction, and  
12      control of the Secretary. The Secretaries of the military  
13      departments and the heads of the other elements of the  
14      Department of Defense are subject to the authority, direc-  
15      tion, and control of the Deputy Secretary in the perform-  
16      ance of their duties with respect to matters within the au-  
17      thority of the Deputy Secretary, and the exercise of that  
18      authority by the Deputy Secretary is binding on the mili-  
19      tary departments and such other elements.

20      “(g) CONSULTATION WITH OTHER OFFICIALS.—In  
21      carrying out the duties of the position under this section,  
22      the Deputy Secretary of Defense for Management shall  
23      consult on a continuing basis with the Deputy Secretary  
24      of Defense, the Secretaries of the military departments,  
25      and the Chairman of the Joint Chiefs of Staff—

1           “(1) to support economical, efficient, and effec-  
2           tive performance of the missions of the Department  
3           of Defense; and

4           “(2) to support each of those officials—

5                   “(A) in the implementation of the national  
6                   defense strategy and the strategic plan of the  
7                   Department of Defense; and

8                   “(B) in the administration of related pro-  
9                   grams, plans, operations, and activities.

10          “(h) PERFORMANCE AND EVALUATION.—(1) The  
11          Secretary of Defense and the Deputy Secretary of Defense  
12          for Management shall jointly identify in writing each year  
13          the individual and organizational goals to be achieved by  
14          the Deputy Secretary during the succeeding year. Such  
15          goals shall be expressed in terms of measurable mile-  
16          stones, and shall be consistent with the goals and meas-  
17          ures established under subsection (d). Each set of goals  
18          so identified shall be available for public disclosure.

19          “(2) The Secretary of Defense shall evaluate the per-  
20          formance of the Deputy Secretary of Defense for Manage-  
21          ment each year and shall determine as part of each such  
22          evaluation whether the Deputy Secretary has made satis-  
23          factory progress toward achieving the goals set out in the  
24          performance agreement for that year under paragraph  
25          (1).”.

1           (B) The table of sections at the beginning  
 2           of such chapter is amended by inserting after  
 3           the item relating to section 132 the following  
 4           new item:

“132a. Deputy Secretary of Defense for Management.”.

5           (2) EXECUTIVE LEVEL II.—Section 5313 of  
 6           title 5, United States Code, is amended by inserting  
 7           after “Deputy Secretary of Defense.” the following:

8           “Deputy Secretary of Defense for Manage-  
 9           ment.”.

10          (b) MEMBERSHIP OF CERTAIN DEPARTMENT OF DE-  
 11 FENSE MANAGEMENT COMMITTEES.—

12           (1) FINANCIAL MANAGEMENT MODERNIZATION  
 13 EXECUTIVE COMMITTEE.—Section 185(a) of title 10,  
 14 United States Code, is amended—

15           (A) in paragraph (2)—

16           (i) by redesignating subparagraphs  
 17 (A), (B), (C), (D), and (E) as subpara-  
 18 graphs (B), (C), (D), (E), and (F), respec-  
 19 tively;

20           (ii) by inserting after “composed of  
 21 the following:” the following new subpara-  
 22 graph (A):

23           “(A) The Deputy Secretary of Defense for  
 24 Management, who shall be the chairman of the com-  
 25 mittee.”; and

1 (iii) in subparagraph (B), as redesignated by clause (i), by striking “, who shall  
2 be the chairman of the committee”; and

3 (B) in paragraph (3), by inserting “the  
4 Deputy Secretary of Defense for Management,”  
5 after “the Deputy Secretary of Defense,”.

6 (2) DEFENSE BUSINESS SYSTEM MANAGEMENT  
7 COMMITTEE.—Section 186 of such title is amended  
8 by striking “Deputy Secretary of Defense” each  
9 place it appears in subsections (a)(1) and (b) and in-  
10 sserting “Deputy Secretary of Defense for Manage-  
11 ment”.

12 (c) ADJUSTMENTS TO DUTIES AND PRECEDENCE OF  
13 OTHER OFFICIALS.—

14 (1) UNDER SECRETARY OF DEFENSE FOR POL-  
15 ICY.—Section 134 of title 10, United States Code, is  
16 amended—

17 (A) in subsection (b)(2), by striking “Sec-  
18 retary of Defense—” and inserting “Secretary  
19 of Defense and the Deputy Secretary of De-  
20 fense—”; and

21 (B) in subsection (c), by inserting “the  
22 Deputy Secretary of Defense for Management,”  
23 after “the Deputy Secretary of Defense,”.

1           (2) UNDER SECRETARY OF DEFENSE FOR AC-  
2           QUISITION, TECHNOLOGY, AND LOGISTICS.—Section  
3           133(e) of such title is amended—

4                   (A) in paragraph (1), by striking “and the  
5           Deputy Secretary of Defense” and inserting “,  
6           the Deputy Secretary of Defense, and the Dep-  
7           uty Secretary of Defense for Management”; and

8                   (B) in paragraph (2), by inserting “the  
9           Deputy Secretary of Defense for Management,”  
10           after “the Deputy Secretary of Defense,”.

11           (3) DEPUTY UNDER SECRETARY OF DEFENSE  
12           FOR LOGISTICS AND MATERIEL READINESS.—Sec-  
13           tion 133b(c)(2) of such title is amended by inserting  
14           “the Deputy Secretary of Defense for Management,”  
15           after “the Deputy Secretary of Defense,”.

16           (4) DIRECTOR OF OPERATIONAL TEST AND  
17           EVALUATION.—Section 139 of such title is amend-  
18           ed—

19                   (A) in subsection (b)—

20                           (i) in paragraph (2), by striking “and  
21           the Under Secretary of Defense for Acqui-  
22           sition, Technology, and Logistics” and in-  
23           serting “, the Deputy Secretary of De-  
24           fense, the Deputy Secretary of Defense for  
25           Management, the Under Secretary of De-

1                   fense for Acquisition, Technology, and Lo-  
2                   gistics,”; and

3                   (ii) in paragraph (6), by inserting “,  
4                   the Deputy Secretary of Defense, and the  
5                   Deputy Secretary of Defense for Manage-  
6                   ment” after “the Secretary of Defense”;  
7                   and

8                   (B) in subsection (c), by striking “and the  
9                   Deputy Secretary of Defense” in the first sen-  
10                  tence and inserting “, the Deputy Secretary of  
11                  Defense, and the Deputy Secretary of Defense  
12                  for Management”.

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