



U.S. Senate Committee on Appropriations

PRESS RELEASE

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Summary: Department of Defense Appropriations Act, 2013 *Full Committee Mark*

President's Request: \$604.6 billion
FY 2013 Appropriations Act: \$604.5 billion

The Department of Defense Appropriations Act, 2013 provides \$604.5 billion in base and overseas contingency operation funding. The base budget appropriation is \$511.2 billion, consistent with the spending cuts directed by the Budget Control Act of 2011. The defense bill also contains \$93.3 billion for Overseas Contingency Operations (OCO) of the Department of Defense. In compliance with the earmark moratorium, the Act contains no congressionally directed spending items. Priorities for the fiscal year 2013 Defense Appropriations Act include:

- (1) Taking Care of People
- (2) Supporting Military Readiness
- (3) Protecting Our Forces
- (4) Maintaining Our Technological Edge
- (5) Restoring Critical Capabilities
- (6) Improving Fiscal Accountability

(1) **Taking Care of People**

The bill funds an active duty end strength of 1,401,697, and reserve component end strength of 846,163. It fully funds the 1.7 percent authorized pay raise for military personnel. In addition, the bill adds \$392 million above the budget request to cover shortfalls in military personnel accounts which were identified by the Services after the budget was submitted.

The bill recommends \$33.2 billion for the Defense Health Program. This provides medical services for our military personnel and their families, continues our advancements in medical research, modernizes and maintains our medical infrastructure, and develops the next generation of electronic health records. The bill adds \$273 million to align with the National Defense Authorization Act reported by the Senate Armed Services Committee, which rejects the proposed increase to TRICARE fees.

The bill also recommends an additional \$60 million for peer-reviewed psychological health and traumatic brain injury research, and an additional \$194 million for peer-reviewed breast, prostate, and ovarian cancer research programs.

(2) Supporting Military Readiness

The bill fully funds key programs to strengthen our military readiness. The operation and maintenance funding in the bill sustains training, base operations support, and high tempo operations such as ship steaming days, aircraft flight hours, and vehicle miles. The bill recommends an additional \$260 million for weapons systems sustainment for the Air National Guard and \$45 million for additional environmental conservation projects.

The bill fully funds family support programs and provides enhancements for programs such as Impact Aid and the Educational Partnership Program that assist military dependent students.

Funding included in the Overseas Contingency Operations section of the bill supports ongoing operations in Afghanistan and continues to reset equipment used or destroyed in both Iraq and Afghanistan. The bill adds \$293 million to Operation and Maintenance, Navy for increased aircraft carrier, intelligence, surveillance and reconnaissance assets, and mine countermeasure ships presence in the U.S. Central Command Area of Responsibility, and an additional \$20 million for National Guard outreach and reintegration programs. The bill also recommends an additional \$964.5 million to mitigate the projected fiscal year 2013 shortfall for fuel and second destination transportation costs.

(3) Protecting Our Forces

The bill funds new equipment and upgrades to existing programs to ensure that our military forces have the hardware needed to support training and military operations during a time of war.

The bill adds \$1 billion in the National Guard and Reserve Equipment Account to ensure that our Reserve Components are prepared for their national defense and homeland security missions.

The following are examples of high-priority programs supported or increased by the bill:

- ***Aircraft*** – The bill funds the requested number of Joint Strike Fighters. Funds are added for Army Black Hawk, Chinook, and Apache helicopters. The bill provides the requested amounts for Navy P-8A Poseidon and F/A-18 aircraft, and adds funds for advance procurement for EA-18G Growlers and to replace a Marine Corps MV-22 Osprey lost in overseas operations. The bill also provides an additional \$180 million for efficient production of Air Force C-130Js and provides \$21.5 million to accelerate backup oxygen systems for the F-22 Raptor.
- ***Intelligence, Surveillance and Reconnaissance*** – The bill fully funds the procurement of MQ-9 Reaper and MQ-8 Fire Scout unmanned aerial vehicles, and provides for two MQ-9 combat loss replacements. The bill increases funds to complete development of the Army's Enhanced Medium Altitude Reconnaissance Surveillance System (EMARSS), and adds \$142 million for high definition video sensors requested by the Commander of Special Operations Command. The bill provides \$50 million, as authorized, for increased ISR in support of counter-Lord's Resistance Army operations in Central Africa.

- ***Force Protection*** – The bill adds \$194 million for additional Patriot PAC-3 missiles, increases funds for Abrams tank long-lead materials, and accelerates additional M88A2 Hercules tank recovery vehicle production.
- ***Ships*** – The bill fully funds major shipbuilding programs as requested, and adds advance procurement for an additional Virginia-class submarine and an amphibious ship. The bill fully funds an additional DDG-51 destroyer and the conversion of a Mobile Landing Platform to an Afloat Forward Staging Base. The bill also provides \$150 million to initiate repairs of the USS *Miami* due to fire damage.
- ***Transferring Responsibility to Our Partners*** – The bill provides \$5.1 billion for the Afghanistan Security Forces Fund, \$200 million for the Commander’s Emergency Response Program (CERP) in Afghanistan, and \$350 million for the Afghanistan Infrastructure Fund.
- ***Missile Defense*** – The bill adds more than \$500 million to the Missile Defense Agency, including \$168.9 million for numerous Israeli Cooperative Programs and \$211 million for the Iron Dome program, as authorized. The bill also adds \$190 million for additional SM-3 Block IB interceptors, and provides additional AN/TPY-2 radar in response to Combatant Commander needs.

(4) **Maintaining Our Technological Edge**

Part of the strength of the United States Armed Forces is the technological advantage that we maintain over our enemies and competitors. The bill promotes investment in technologies that benefit both our service members and our high-tech industrial base.

Examples of the bill’s initiatives in technology and research include:

- ***Supporting Innovation*** – The bill fully funds “6.1” Basic Research programs across the Services and DARPA; provides \$200 million for the Rapid Innovation Fund authorized by the Senate Armed Services Committee; and includes increases in the areas of nanotechnology, advanced naval radar technologies, and alternative energy.
- ***Invigorating the Industrial Base*** – \$100 million is added to the Defense Production Act to build production capacity for critical defense-related initiatives; and \$30 million is added for the Industrial Base Innovation Fund authorized by the Senate Armed Services Committee.
- ***Investing in Next-Generation Weapons Systems*** – The bill fully funds advanced systems including development of the Air Force Next Generation Bomber and the Prompt Global Strike program. Fully funds the Army’s Ground Combat Vehicle and Joint Air to Ground Missile (JAGM); adds funds for the Army’s Network Integration Evaluation to transition next-generation communication systems to the battlefield. The bill supports the budget request for the Ohio-class submarine replacement program, development of the CH-53K helicopter, and the BAMS MQ-4C unmanned aerial vehicle.

(5) Restoring Critical Capabilities

The bill restores a number of critical defense programs that were proposed for reduction or termination in the Pentagon's budget request. The Committee has redirected savings from underperforming or lower priority programs to sustain these important capabilities.

Some of the programs restored in the bill include:

- ***Strategic Pause for Air Force Force Structure*** – Consistent with the National Defense Authorization Act for Fiscal Year 2013, as reported by the Senate Armed Services Committee, the Committee endorses a one-year strategic pause for Air Force force structure adjustments. The bill directs the use of existing funds for procurements of the C-27 Spartan and the RQ-4 Global Hawk Block 30, and adds more than \$800 million to sustain current force structure, including equipment, personnel, and operations.
- ***Ship Modernization, Operations and Sustainment Fund*** – The Committee reverses the Navy's proposal to prematurely retire seven cruisers and two amphibious ships. The bill provides nearly \$2.4 billion to man, operate, sustain, modernize, and equip these ships through fiscal year 2014.
- ***Tank Industrial Base*** – Adds funds for long lead items to support domestic tank production and increases production for the M88A2 Hercules tank recovery vehicle.
- ***Satellite Programs*** – Restores \$100 million for the Operationally Responsive Space program and \$35 million for the Space Test Program. Reverses cuts to development funds for the Advanced Extremely High Frequency and the Space Based Infrared System satellites to mature next-generation technologies, such as hosted payloads, radiation hardened components, and affordability enhancements.

(6) Improving Fiscal Accountability

The defense appropriations bill complies with the security spending reductions directed in the Budget Control Act of 2011. Due to program terminations or delays, changes to policies or programs since submission of the budget in February 2012, inadequate justification, or corrections to poor fiscal discipline in the Department of Defense, *the bill proposes 475 reductions to programs requested in the budget.*

The following are examples of some of the bill's major reductions:

- ***Defense Health Program*** – Corrects years of poor budget estimation practices with savings of \$807 million that reflects annual lower usage rates of private sector care than the Department anticipates.

- ***Budgeting Errors*** – Eliminates \$377 million in operation and maintenance requests due to mistakes in the budget submission, such as resubmitting one-time funding requests that have already been funded and double-budgeting for operations that were transferred to different funding lines.
- ***Warfighter Information Network-Tactical (WIN-T)*** – Reduces the request due to a six-month delay in ramping up production, resulting in a funding carryover and excess growth in development.
- ***Joint Tactical Radio Systems*** – Reduces \$190 million in procurement funds due to contracting delays and concurrency in testing and production.
- ***Launch Costs*** – Sustains more than \$200 million in contract savings negotiated in 2012 for the Evolved Expendable Launch Vehicle infrastructure contract.
- ***Virginia Payload Module*** – Limits the start of a new program until requirements and cost estimates are validated.
- ***Army Unmanned Aerial Vehicles*** – Slows MQ-1C Gray Eagle production to 15 unmanned aerial vehicles in order to address issues found in test, and slows upgrades to RQ-7 Shadow systems due to excessive funding carryover.
- ***Kiowa Warrior Modifications*** – Reduces the request by \$109 million due to a two-year production delay.
- ***Excalibur Artillery Shells*** – Cuts \$108 million due to schedule delays and concurrency in the production and testing schedules.
- ***Rescissions*** – Cuts \$3.8 billion in prior year funds that are excess to defense needs due to program terminations, schedule delays, or contract savings.

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