



U.S. Senate Committee on Appropriations

PRESS RELEASE

Summary: FY12 Department of Defense Appropriations *Conference Report*

President's Request	FY 2012 Appropriations Act
\$656.8 billion	\$633.3 billion

The Department of Defense Appropriations Act, 2012 provides \$633.3 billion in base and overseas contingency operations funding. The base budget appropriation is \$518.1 billion, or an increase of \$5.1 billion over the fiscal year 2011 level. This represents a \$20.8 billion reduction from the budget request, consistent with the spending cuts directed by the Budget Control Act of 2011. The defense bill also contains \$115.1 billion for Overseas Contingency Operations (OCO) of the Department of Defense, a reduction of \$2.5 billion from the amount requested by the President. In compliance with the earmark moratorium, the Act contains no congressionally directed spending items.

Priorities for the FY 2012 Defense Appropriations Act include:

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

(1) Taking Care of People

The bill funds an active duty end strength of 1,422,600, and reserve component end strength of 847,100. It fully funds the 1.6 percent authorized pay raise for military personnel. In addition, the bill adds \$252 million above the budget request to cover shortfalls in military personnel accounts which were identified by the Services.

The bill recommends \$33.1 billion for the Defense Health Program, an increase of \$900 million from the fiscal year 2011 level. 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 also recommends an additional \$135.5 million for peer-reviewed psychological health and traumatic brain injury programs, and an additional \$216 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 equipment maintenance, as well as high tempo operations such as ship steaming days, aircraft flight hours, and vehicle miles.

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

Funding included in the Overseas Contingency Operations section of the bill funds currently known requirements for military operations in Afghanistan and the drawdown in Iraq for fiscal year 2012. The funding includes adjustments for the drawdown of 10,000 troops from Afghanistan by December 2011, and an additional 23,000 withdrawn by the end of September 2012. The bill also includes a reduction based on an Army-reported \$2 billion overestimate of operational 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 a full range of 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, disaster response, 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 Army Chinook helicopters; Navy P-8A Poseidon, EA-18G, and F/A-18 aircraft; Air Force Joint Cargo Aircraft; and Air Force and Marine Corps V-22 aircraft. Funds are added for an additional six Army Black Hawk helicopters, and \$120 million is added for efficient production of Air Force C-130Js.
- ***Intelligence, Surveillance and Reconnaissance*** – The bill funds the requested number of MQ-9 Reaper, RQ-4 Global Hawk, and MQ-8 endurance upgrade unmanned aerial vehicles (UAVs); and adds \$89 million for Army tactical UAVs to replace aircraft lost in combat.
- ***Force Protection*** – The bill fully funds the Army Humvee competitive recapitalization (MECV); provides \$2.4 billion for the Joint IED Defeat Organization; adds \$230 million to address Special Operations Command equipment shortfalls; fully funds armored cab upgrades for High Mobility Artillery Rocket Systems; increases funding for an additional 42 Abrams tank upgrades; provides \$57.7 million for Counter-Rocket, Artillery, and Mortar systems; and supports the budget request for Sense Through the Wall systems.

- ***Transferring Responsibility to Our Partners*** – The bill provides \$11.2 billion for the Afghanistan Security Forces Fund, \$400 million for the Commander’s Emergency Response Program (CERP) in Afghanistan, and \$400 million for the Afghanistan Infrastructure Fund.

(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; includes \$200 million for the Rapid Innovation Fund authorized by the Senate-passed National Defense Authorization Act; and provides increases for nanotechnology, cybersecurity, and alternative energy.
- ***Invigorating the Industrial Base*** – \$150 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-passed National Defense Authorization Act.
- ***Investing in Next-Generation Weapons Systems*** – The bill includes full funding for the development of the Air Force KC-46A Aerial Refueling Tanker, adds \$100 million to the Next Generation Bomber, and accelerates the purchase of a Wideband Global SATCOM Satellite; supports the budget request for the Navy Ohio-class replacement submarine and construction of the CVN-78 next-generation carrier; and provides full funding for the Army Armed Scout Helicopter fly-off, Paladin PIM upgrades, and the restructured Ground Combat Vehicle.

(5) **Improving Fiscal Accountability**

The Defense Appropriations Act complies with the security spending reductions directed in the Budget Control Act of 2011. To meet the spending allocation, *the bill proposes 775 reductions to programs requested in the budget.* These cuts are made as a result of program terminations or delays, changes to policies or programs since submission of the budget in February 2011, inadequate justification, or corrections to poor fiscal discipline in the Department of Defense.

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

- ***Joint Strike Fighter*** – Funds production at 31 aircraft and reduces production ramp in FY 2013 to reduce concurrency in developmental test and production and limit the cost of modification bills in the future.
- ***Joint Light Tactical Vehicle*** – Supports the restructured Army and Marine Corps program, which is projected to reduce development costs by \$500 million.
- ***Ground Combat Vehicle*** – Proposes reductions to the Army Ground Combat Vehicle due to schedule delays and changes to the acquisition strategy.

- ***Defense Weather Satellite System (DWSS)*** – Directs the cancellation of DWSS and provides funds for a new competitive development program.
- ***Joint Tactical Radio Systems*** – Eliminates funding for the Ground Mobile Radio and the Airborne/Maritime Fixed Radio due to delayed production decisions, and eliminates increases for premature Manpack capability enhancements.
- ***Theater High Altitude Area Defense*** – Reduces funding for interceptors that cannot be produced in FY2012.
- ***Double-Funding of Congressional Initiatives*** – Eliminates requests for combat loss replacement of aircraft and other equipment which were funded by Congress in Department of Defense Appropriations Act, 2011, but were also included in the Administration’s 2012 budget.
- ***Rescissions*** – Cuts \$2.6 billion in prior year funds that are excess to defense needs due to program terminations, schedule delays, or contract savings.
- ***Funding Identified as Excess*** – Removes billions of dollars identified by the Department of Defense that are no longer required in FY2012.

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