



U.S. Senate Committee on Appropriations

PRESS RELEASE

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SUMMARY: DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 2014 *Full Committee Mark*

Washington, D.C.—The Department of Defense Appropriations Act, 2014 provides \$594.4 billion in base and overseas contingency operation funding, compared to \$604.7 billion in pre-sequester fiscal year 2013 funds. The base budget appropriation is \$516.4 billion. The defense bill also contains \$77.8 billion for Overseas Contingency Operations (OCO) of the Department of Defense. In compliance with the earmark moratorium, the bill contains no congressionally directed spending items. The Appropriations Committee today approved the bill by a vote of 22 to 8, and it will now go the full Senate for its consideration.

Senator Dick Durbin (D-Ill.), Chairman of the Appropriations Subcommittee on Defense, issued the following statement:

“While we can’t solve our nation’s long-term fiscal issues in this one spending bill, we can focus on addressing shortfalls within the Department of Defense and on responsibly dealing with the effects sequestration has had on our troops, veterans and their families. With increasingly limited funds, this bill cuts waste, prioritizes department spending, and puts a premium on readiness. Our choices will only get tougher if we let sequestration continue for fiscal year 2014 and future spending bills.”

Senator Barbara A. Mikulski (D-Md.), Chairwoman of the Appropriations Committee, issued the following statement:

“Senators Durbin and Cochran have followed the tradition of our beloved former Chairmen, Senators Inouye and Stevens, by working side-by-side as bipartisan partners to resource the critical missions of the Department of Defense (DoD). As the war winds down I applaud their emphasis on the future readiness of our troops, support for our veterans and military families, and oversight and accountability.

“I want to highlight several critical accomplishments in the Defense bill. First, the bill focuses on supporting our veterans. It focuses on DoD’s efforts to help the VA reduce the claims backlog. Second, as the war winds down and the military transitions to fewer deployments, the bill emphasizes repairing and replacing worn equipment, so our troops and our national guard are ready for the future. Third, I am proud of the bill’s focus on oversight and accountability.

Senators Durbin and Cochran relied on the advice of the Inspector General and the GAO, in order to be smarter with the taxpayers' money.

"The problem of the veterans claims backlog was and is shameful. So I want to thank Secretary Hagel for getting personally involved, he committed to leaving no stone unturned, until the problem is solved. And I note that since our meeting with Secretaries Hagel and Shinseki the backlog of claims that are older than two years has shrunk from nearly 24,000 to 1,800 - a stunning accomplishment."

"I'm also proud of what the Defense bill does to protect our nation from cyber attacks. Earlier this year, I held our first Full Committee hearing on cybersecurity. I focused on cutting across Subcommittees and on how the budget protects the American people from cyber threats. We must protect our domains: dot-mil, dot-gov, and dot-com. We must ensure the wise use of taxpayer dollars to prevent hackers, nation states, and criminals from stealing identities and intellectual property, and from sabotaging online commerce and critical infrastructure. We examined the President's request of over \$13 billion for cybersecurity government-wide, including over \$9 billion in the Defense Bill, and I'm proud that this Committee met those obligations."

"I'm not just the Full Committee Chairwoman, I'm also the Senator for Maryland. I'm so pleased this Defense bill supports the crucial missions of Maryland's military installations, from Aberdeen to Andrews Air Force Base, from Indian Head to Naval Air Station Patuxent River, from Ft. Meade to Ft. Detrick to Walter Reed. I'm so proud of the men and women at these Maryland facilities who work tirelessly to research, develop, test, and evaluate innovations that will change the battlefield. From more effective protective gear and helmets for our troops to research on medical practices and treatments, these men and women create, innovate and collaborate for those on the battlefield. They deserve Nobel prizes for their work, not furlough slips."

Major Initiatives

The Department of Defense Appropriations Act, 2014, emphasizes the following priorities:

- (1) Addressing Critical Shortfalls**
- (2) Supporting our Troops, Veterans and their Families**
- (3) Improving Fiscal Accountability**

Addressing Critical Shortfalls:

Sequestration in fiscal year 2013 has had a major impact on the operations of the Department of Defense. Budget shortfalls are threatening the readiness of combat units, causing an inefficient allocation of resources, delaying important modernization programs, and disrupting routine work by furloughing thousands of civilian and military personnel.

If sequestration continues in fiscal year 2014, the impacts will be even greater, especially under a long-term continuing resolution. This bill recommends increased funding in several areas to limit that risk and begin recovery in targeted areas by:

- Fully funding readiness accounts and adding \$2.9 billion restore shortfalls in ground training exercises, ship steaming days, and aircraft flying hours.
- Providing an additional \$1.5 billion to restore other operation and maintenance impacts, such as shortfalls in depot maintenance and Facilities Sustainment, Restoration and Modernization.
- Allocating \$1 billion for the National Guard and Reserve Equipment Account.
- Increasing the Virginia-class submarine program by \$227 million and the DDG-51 destroyer program by \$100 million to fund ten-ship multi-year contract commitments.
- Includes sufficient funds to continue operation and begin modernization of nine Navy ships proposed for retirement due to general budget constraints.

Supporting our Troops, Veterans and their Families:

The three million active duty, reserve and civilian employees are the Department of Defense's most valuable resource. The bill protects investments in, and makes targeted increases for, the members of the Armed Forces, their families, and the civilian employees of the Department of Defense including:

- A one percent pay raise to members of the Armed Forces and the Department of Defense civilian workforce.
- Increases in funding to ease the Department of Veterans Affairs claims backlog by accelerating the transfer of DoD health care records.
- \$297 million increase for TRICARE to ensure servicemembers aren't paying more out-of-pocket costs for their health care.
- Continued oversight of the DoD-VA integrated Electronic Health Record program.
- Significant increases to DoD medical research efforts, including:
 - \$200 million for the Peer-Reviewed Medical Research Program;
 - \$100 million for the Joint Warfighter Medical Research Program;
 - \$60 million for Traumatic Brain Injury and Psychological Health;

- o \$120 million for breast cancer research;
- o \$64 million for prostate cancer research;
- o \$10 million for ovarian cancer research; and
- o \$25 million for other cancer research.
- Efforts to protect voluntary military education program quality through increased oversight, reporting and third-party auditing. The bill also puts in place a prohibition on the use of funds for advertising and marketing and designates these funds as Federal funds for education oversight purposes.
- \$25 million for DoD to implement the Special Victims' Counsel Program across all Services in order to provide victims of sexual assault with legal assistance and support.
- \$48.4 million in funding increases for the protection of diplomatic facilities overseas. This funding will create 35 additional Marine Security Guard Detachments as mandated by the fiscal year 2013 National Defense Authorization Act.

Improving Fiscal Accountability:

In an era of limited resources and an uncertain future, this bill eliminates billions in wasteful, unnecessary and duplicative funding across all branches. The bill proposes \$12.6 billion in reductions to 464 individual programs and redirects the majority of those funds to higher priorities. The reductions breakdown as follows:

- Improving Funds Management: 45 percent of the reductions are due to excess carryover of prior year funds or updated cost estimates.
- Restoring Acquisition Accountability: 29 percent of the cuts are due to schedule delays, unit cost growth, troubled acquisition strategies, or concurrency in test and production.
- Maintaining Program Affordability: 19 percent of the cuts eliminate unneeded growth in programs.
- Reducing Duplication: 8 percent of the reductions are for redundant programs, disparities found in budget justifications, or programs that have been terminated since the budget submission.

Detailed Summary

Military Personnel

The bill provides \$129.1 billion in the base for military personnel. The recommended level fully supports the needed end strength and includes a one percent pay raise.

Operation and Maintenance

The bill provides \$178.6 billion for operation and maintenance including substantial increases for readiness, depot maintenance, and Facilities Sustainment, Restoration and Modernization. The bill also eliminates \$8 million in funding associated with the proposed 2015 Base Realignment and Closure round which has not been authorized.

Procurement

The bill provides \$98.4 billion for procurement, which is an increase of \$215 million over the request. Significant items include:

- Fully funds the 2014 procurement quantities for the F-35 Joint Strike Fighter, but limits funding for a 2015 production ramp up to maintain focus on developmental testing and software deliveries.
- Fully funds the following aircraft procurements: Army CH-47 Chinook and AH-64 Apache helicopters; Air Force C-130J Hercules; and Navy P-8 Poseidon, E-2D Hawkeye and MV-22 Osprey.
- Provides the requested amounts for procurement of Army Joint Tactical Radio Systems, Warfighter Integrated Network—Tactical Increment II, and Nett Warrior; Special Operations Command Warrior Systems and Operational Enhancements; and Marine Corps new build G/ATOR radar systems.

Research, Development, Test and Evaluation

The bill provides \$65.8 billion for research and development, which is \$1.7 billion below the request. Significant items include:

- Fully funds Basic Research and Applied Research programs in each Service.
- Fully funds Air Force Long Range Strike bomber and KC-46 tanker; Navy Next Generation Jammer and MQ-4 Triton UAV; and the Army/Marine Corps Joint Light Tactical Vehicle.
- Limits funding to F-35 Joint Strike Fighter development to support necessary planning activities for follow-on development.

- Fully funds U.S.-Israeli cooperative missile defense programs, including an additional \$173 million for the Arrow programs and David's Sling.
- Terminates the Virginia Payload Module due to high cost, risk, and lack of validated requirement.

Overseas Contingency Operations

The bill provides \$77.8 billion for Overseas Contingency Operations, which is \$2.9 billion below the request. The bill includes:

- Reductions of \$416.8 million from the Afghanistan Security Forces Fund for light attack support aircraft and the bill provides no funds for Mi-17 helicopters. The bill includes restrictions on purchases from Rosoboronexport, the Russian arms export company.

Other

Transfer authority: The bill provides \$5 billion in transfer authority in the base, and \$4 billion in Overseas Contingency Operations.

Guantanamo: The bill retains previous language on Guantanamo, however it allows the fiscal year 2014 National Defense Authorization Act to supersede the provisions should changes be enacted in that legislation.

President of Afghanistan: The bill includes a general provision which prohibits funds from being used for the personal benefit of the President of Afghanistan.

Combat Uniforms: The bill restricts new development and fielding of service-unique camouflage combat uniforms in order to limit duplication and waste.

General and Flag Officers: The bill includes a reduction in funding for general and flag officers, to rein in the cost of senior officers, their benefits, and staff.

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