Legislative Bulletin......July 22, 2013

H.R. 2397 – Department of Defense Appropriations Act, 2014 (Rep. Young, R-FL)

BY THE NUMBERS:

In Millions of Dollars

	FY13	FY13	FY13	FY14
	House	Enacted Pre	Enacted Post	House
	302(b)	Sequester	Sequester	Committee
Base Appropriations	\$519,220	\$517,632	\$486,461	\$512,522

The Committee Bill is:

- > \$26 billion more than the FY13 enacted post-sequester level.
- > \$5 billion less than the FY13 enacted pre-sequester (HR 933).
- **▶** \$6.7 billion less than the FY13 House 302(b) levels.

Spending Discussion: The bill (text <u>here</u>, report <u>here</u>) provides a base spending level of \$512.5 billion. This spending level is consistent with the House Appropriations Committee's 302(b) allocation for Department of Defense Appropriations, which is consistent with the House-passed FY14 budget's overall 302(a) spending level of \$967 billion.

While the Budget Control Act calls for FY14 top-line spending of \$967 billion, it also caps overall defense spending (defined as budget function 050) at \$498 billion (See <u>Table 2</u>). The effect of this "sub cap" is that a majority of the \$21 billion in discretionary cuts from FY13 to FY14 would come from defense. Both the House-passed budget, as well as the RSC budget, find savings to meet the top-line number (the House-passed budget allocates \$967 billion total, and the RSC budget allocates \$950 billion total), but both budgets reject extracting those savings from national defense. Consequently the base discretionary national defense spending allowed by the House-passed and RSC budgets is \$552 billion (defined as budget function 050).

<u>War Funding:</u> The bill provides \$85.8 billion in Overseas Contingency Operations (OCO) funding. When combined with House OCO funding allocations to the State Department, FY14 OCO funding will total approximately \$93 billion, the same level as FY13.

Total Cost: All told, this bill provides \$598.3 billion in budget authority (Base plus OCO).

<u>Order of Business</u>: The bill is scheduled to be considered on Tuesday, July 23, under a structured rule (to read the rule, click here).

Provisions of Note:

- ➤ **ACORN:** The bill prohibits any funding for the Association of Community Organizations for Reform Now (ACORN) or its subsidiaries.
- ➤ **Buy America Act:** The bill prohibits funds to be spent in contravention of the "Buy America Act" (41 U.S.C. Chapter 83) provided equipment and products are cost-competitive, quality competitive, and available in a timely fashion.
- ➤ Cooperative Threat Reduction Account: The bill provides \$528.5 million through September 30, 2016, to assist republics of the former Soviet Union, and other countries with approval of the Departments of Defense and State, for facilitating the elimination and safe and secure transportation and storage of nuclear, chemical, and other weapons, weapons components and weapons-related technology.
- ➤ **Defense Health Programs:** The bill funds defense health programs at \$33.6 billion to provide worldwide medical and dental services for active forces and other beneficiaries, which represents an \$858.2 million increase above FY2013 enacted levels.
- Firearms: The bill prevents funds this year and in any future fiscal year to be used to demilitarize or dispose of M-1 Carbines, M-1 Garand rifles, M-14 riles, .22 caliber rifles, .30 caliber rifles, or M-1911 pistols, or to demilitarize or destroy small arms ammunition not otherwise prohibited from commercial sale under federal law, unless the Secretary of the Army certifies any small arms ammunition or components as unserviceable or unsafe for further use. Also, section 8063 prohibits funding for transfer to any nongovernmental entity DOD center-fire cartridges designated as armor-piercing ammunition except if otherwise authorized to receive such ammunition.
- ➤ Foreign Intelligence Gathering: Section 8079 prohibits funding for integration of foreign intelligence information unless the information has been lawfully collected and processed through authorized foreign intelligence activities, and information pertaining to U.S. persons is handled in accordance with protections provided in the Fourth Amendment of the U.S. Constitution as implemented through <u>Executive Order No.12333</u>.
- Foreign Training: The bill prohibits funding for any foreign security or police training program if the DOD Secretary is in receipt of credible information from the Department of State that the units to be trained have committed gross violations of human rights.
- ➤ Guantanamo Bay: The legislation prohibits funding in this or any other Act to "transfer, release, or assist in the transfer or release to or within the United States, its territories, or possessions Khalid Sheikh Mohammed" or any other detainee who is not an American citizen or member of the U.S Armed Services and has been held after June 23, 2009, at

the United States Naval Station, Guantanamo Bay, Cuba. Also, it requires certification to Congress from the Secretary of Defense prior to any detainee's transfer to a foreign country. It also prohibits funding for the transfer of any detainee to the detainee's country of origin or any other foreign country if there is a confirmed case in that country of any previously-transferred detainee after September 11, 2011, subsequently engaging in any terrorist activity. Funds are prohibited from being used to "construct, acquire, or modify" any U.S. facility to house a Guantanamo Bay, Cuba detainee.

- ➤ Iraq & Afghanistan Funding Limitation: The legislation prohibits funding in the bill or any other Act to establish any military installation or base for the permanent U.S. Armed Forces stationing in Iraq or Afghanistan or to exercise U.S. control over any Iraqi oil resource.
- ➤ Israel: Section 8070 funds the Israeli Cooperative Programs with \$489 million including \$220.3 million to the Government of Israel for the procurement of the Iron Dome defense system.
- ➤ Late term obligations: The bill prevents obligations of funds in excess of 20 percent of the total appropriated amount for the current fiscal year in the last two months of the fiscal year except for obligations supporting active duty training of reserve components or summer camp training of the Reserve Officers Training Corps.
- ➤ **Lobbying Congress:** The bill prevents any funding to be used directly or indirectly to influence congressional action on any legislation or appropriation matters pending before Congress.
- ➤ Military Personnel and Pay: The legislation provides a 1.8 percent basic pay increase for all military personnel as authorized by current law and effective January 1, 2014. The Administration requested a 1 percent increase, while services members received a 1.7 percent pay increase this year.
- North Korea: The bill prohibits any funding to be obligated or expended for assistance to the Democratic People's Republic of Korea (North Korea) unless specifically appropriated for that purpose.
- ➤ Overseas Humanitarian, Disaster, and Civic Aid: The bill provides \$109.5 million for Department of Defense humanitarian programs through September 30, 2015. Section 8049 prohibits current fiscal year DOD funding to another nation or an international organization for any defense articles or services (other than intelligence services) for any international peacekeeping, peace enforcement, or humanitarian assistance operation, unless the congressional defense committees, the House Committee on Foreign Affairs, the Senate Foreign Relations Committee are notified with 15 days advance notice.
- ➤ **Pakistan Funding Limitation**: The legislation prohibits funds appropriated or otherwise made available by this Act under the heading `Operation and Maintenance, Defense-

Wide' for reimbursement to the Government of Pakistan unless the Secretary of Defense, in coordination with the Secretary of State, certifies to the Committees on Appropriations that the Government of Pakistan is:

- Cooperating with the United States in counterterrorism efforts against the Haqqani Network, the Quetta Shura Taliban, Lashkar e-Tayyiba, Jaish-e-Mohammed, Al Qaeda, and other domestic and foreign terrorist organizations, including taking steps to end support for such groups and prevent them from basing and operating in Pakistan and carrying out cross border attacks into neighboring countries;
- Not supporting terrorist activities against United States or coalition forces in Afghanistan, and Pakistan's military and intelligence agencies are not intervening extra-judicially into political and judicial processes in Pakistan;
- Dismantling improvised explosive device (IED) networks and interdicting precursor chemicals used in the manufacture of IEDs;
- o Preventing the proliferation of nuclear-related material and expertise;
- o Implementing policies to protect judicial independence and due process of law;
- o Issuing visas in a timely manner for United States visitors engaged in counterterrorism efforts and assistance programs in Pakistan; and
- Providing humanitarian organizations access to detainees, internally displaced persons, and other Pakistani civilians affected by the conflict.
- ➤ Prohibition on Contractor Performance Conversion: Section 8039 prohibits funding to convert to contractor performance a Department of Defense (DOD) activity or function, after the date of enactment, performed by a DOD civilian employee unless certain conditions are met.
- ➤ **Prohibition on Funding Related to Torture**: The legislation prohibits funds available in the bill from being used in contravention of the United Nations Contravention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment
- ➤ **Prohibition on International Political/Psychological Activities:** The legislation prohibits funding from being used for "international political or psychological activities."
- ➤ Russian Arms: The bill prohibits the Department of Defense from purchasing any equipment from Rosoboronexport, a Russian state arms dealer, unless the Secretary of Defense certifies to congressional defense committees Rosoboronexport's cooperation with a Defense Contract Audit agency, that it has not delivered S-300 anti-aircraft missiles to Syria, and that they have not signed any new defense contracts with the Bashar al Assad regime in Syria since January 1, 2013. The Secretary may waive these requirements if the purchase of equipment from Rosoboronexport is vital to national security after submitting a report detailing why it is vital to national security, why the items cannot be procured elsewhere, whether or not Rosoboronexport is cooperating with the audit, if and how many S-300 missiles were provided to the Assad regime, and the number of new contracts between Rosoboronexport and the Assad regime since January 1, 2013. Lastly, the amendment prohibits the Department of Defense from awarding no

bid contracts for the procurement of helicopters for the Afghan Security Forces. A similar amendment to the FY2014 National Defense Authorization Act (H.R. 1960) passed by a vote of 423-0.

- ➤ Sexual Assault Programs: The bill appropriates an additional \$25 million for purposes of implementing a defense-wide Sexual Assault Special Victims Program. It also prohibits funding to be used in contravention of the amendments made addressing sexual assault to the Uniform Code of Military Justice in the Fiscal Year 2014 National Defense Authorization Act (H.R. 1960, described on page 2).
- ➤ **Unauthorized Publicity:** The bill prevents funding for publicity or propaganda purposes not authorized by Congress.
- ➤ War Powers Resolution: The legislation prohibits funds from being used to violate the War Powers Resolution (50 U.S.C. 1541 et seq.).

<u>Administration Position</u>: The White House issued a conditional veto, with extended commentary (to read, click here). For updates on statements of administration policy, click here.

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