**Legislative Bulletin......June 18, 2014** 

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H.R. 4870 - Department of Defense Appropriations Act, 2015 (Frelinghuysen, R-NJ)

Updates on amendments will be sent as they become available.

## H.R. 4870 - Department of Defense Appropriations Act, 2015 (Frelinghuysen, R-NJ)

## By the Numbers:

In thousands of dollars

	FY14 House Level	FY14 Enacted	FY15 President Request	FY15 House Level
<b>Net Total Base</b>				
Discretionary	512,685,850	487,014,687	490,741,995	490,941,820

Net Total Base Discretionary Budget Authority is:

- \$21.744 billion below the level proposed by the House Appropriations Committee for FY 2014.
- \$3.927 billion above the enacted FY 2014 level.
- \$200 million above the President's budget request.

H.R. 4870 provides a net total of \$490.942 billion in discretionary budget authority. The bill further provides \$79.445 billion in Overseas Contingency Operations (OCO) funding which does not count against the 302(b) level or the Budget Control Act cap. The bill also provides \$514 million in mandatory funds that do not count against the discretionary caps. In total, the bill provides \$570.901 billion in funds.

The Committee Report can be found here, and the text of the legislation can be found here.

<u>Order of Business</u>: H.R. 4870 is expected to be considered beginning on June 18<sup>th</sup>, under an <u>open rule</u> permitting all germane amendments to be offered. The expected rule provides for one hour of general debate. The expected rule provides for one hour of general debate and ten minutes of debate (evenly divided) on all amendments. Members who have pre-printed their amendments in the Congressional Record will be given priority in recognition. As a reminder, amendments must be offered at the appropriate time during the reading of the bill.

## **Bill Outline:**

**Title I: Active, Reserve, And National Guard Military Personnel** *In thousands of dollars* 

FY14 House	FY14 Enacted	FY15 President	FY15 House	FY15 vs FY14	FY15 vs FY14	FY15 vs President
Level	Diacted	Request	Level	House	Enacted	Request
129,649,180	128,796,287	128,957,593	128,127,640	-1,521,540	-668,647	-829,953

Military Personnel are appropriated \$128.128 billion, a level that is \$830 million below the President's budget request, \$669 million below the FY14 enacted level, and \$1.522 billion below the level proposed by the House Appropriations Committee for FY14.

**Military Pay Raise:** This title provides funding to increase pay for all military personnel by 1.8 percent in 2015.

**Military Personnel End Strength:** The bill provides funding to support the end strength levels for active duty requested by the President's budget. A summary of end-strength personnel levels is below, a more detailed table can be found in the <u>Committee Report</u>:

End Strength	FY 2014 Authorized	FY15 Budget Request	FY15 Recommended in this bill	Change from Request	Change from FY14
Total, Active Forces	1,361,400	1,308,600	1,308,600	0	- 52,800
Total, Selected Reserve	833,700	820,800	820,800	0	- 12,900
Total, Military Personnel	2,195,100	2,129,400	2,129,400	0	- 65,700

**Sexual Assault Prevention and Response:** The bill provides full funding for Sexual Assault Prevention and Response programs. In Section 8118, the bill authorizes that funds shall be made available for transfer of up to \$5,709,000 from the Defense-Wide Operations and Maintenance account for to support high priority Sexual Assault Prevention and Response Program requirements and activities.

Title II: Operation and Maintenance

*In thousands of dollars* 

FY14 House	FY14 Enacted	FY15 President	FY15 House	FY15 vs FY14	FY15 vs FY14	FY15 vs President
	Enacted	Request	Level	House	Enacted	Request
Level		Request	Level	House	Enacieu	Request

Operation and Maintenance (O&M) is appropriated \$164.632 billion, a level that is \$1.371 billion below the President's budget request, \$4.762 billion above the FY14 enacted level, and \$10.342 billion below the level proposed by the House Appropriations Committee for FY14. A detailed breakdown of O&M funding can be found in the Committee Report.

**Title III: Procurement** 

*In thousands of dollars* 

FY14	FY14	FY15	FY15	FY15 vs	FY15 vs	FY15 vs
House	Enacted	President	House	FY14	FY14	President
Level		Request	Level	House	Enacted	Request
10,01		request	EC (CI	House	Linactea	request

Procurement is appropriated \$91.228 billion, a level that is \$1.568 billion above the President's budget request, \$1.633 billion below the FY14 enacted level, and \$7.13 billion below the level proposed by the House Appropriations Committee for FY14. A detailed breakdown of the Procurement title can be found in the Committee Report.

**Aircraft Carrier Refueling:** The bill provides \$789.3 million for refueling the <u>USS George Washington</u> aircraft carrier. The President's budget did not request any funds for this purpose. This aircraft carrier is halfway through its service life. Congress has already appropriated more than \$500 million towards the refueling effort. Failing to refuel the USS George Washington would bring the US carrier fleet down to a ten, a move <u>Heritage Action</u> has opposed.

**UH-60 Blackhawk**: The bill provides \$1,356,227,000 for the procurement of 87 UH-60 Blackhawk helicopters, an increase of \$119,226,000 and eight aircraft above the President's request.

**F-35**: The bill provides \$5,843,108,000 for the procurement of 38 F-35 Lightning aircraft, an increase of \$479,000,000 and four aircraft above the President's request: six short take-off and vertical landing variants for the Marine Corps, four carrier variants for the Navy, and 28 conventional variants for the Air Force.

**A-10**: An amendment offered during markup to maintain funding for the A-10 platform by transferring \$339.3 million from other parts of the Air Force Operations and Maintenance account failed by voice vote. The underlying bill does not reflect <u>language</u> included in the defense authorization bill in this case.

**MQ-9 Reaper**: The bill provides \$373,218,000 for the procurement of 24 MQ-9 Reaper unmanned aerial vehicles, an increase of \$133,000,000 and 12 aircraft above the President's request.

**Littoral Combat Ship (LCS)**: The bill removes \$476,000,000 and one ship from the budget request to minimize the number of ships being procured prior to the completion of the Navy's small surface combatant review while maintaining the industrial base, according to the <a href="Committee Report">Committee Report</a>. Additionally, the Secretary of the Navy is directed to include the results of the small surface combatant study into the shipbuilding plan in time to influence the procurement of small surface combatant ships in fiscal year 2016.

Title IV: Research, Development, Test and Evaluation

*In thousands of dollars* 

FY14 House	FY14 Enacted	FY15 President	FY15 House	FY15 vs FY14	FY15 vs FY14	FY15 vs President
Level		Request	Level	House	Enacted	Request
66,409,530	62,994,741	63,533,947	63,362,890	-3,046,640	+368,149	-171,057

Research, Development, Test and Evaluation (RDTE) is appropriated \$63.363 billion, a level that is \$171 million below the President's budget request, \$368 million above the FY14 enacted level, and \$3.047 billion above the level proposed by the House Appropriations Committee for FY14.

*Ohio* Class Submarine: The bill provides \$849.277 million for the continued development of the <u>replacement</u> for the *Ohio* class ballistic missile submarine, the same as the President's request.

**Liquid Rocket Engine:** The bill provides \$220 million above the President's request to begin development of a domestically produced liquid rocket engine for space launch, in light of the Russian Federation's ban on selling the RD-180 rocket engine for U.S. military launches.

**Iron Dome**: The bill provides \$351 million for the Israeli Iron Dome short-range rocket defense system. This is a \$175 million increase over the President's budget request. Since 2011, more than \$720 million has been appropriated for Iron Dome.

Title V: Revolving and Management Funds

*In thousands of dollars* 

FY14 House Level	FY14 Enacted	FY15 President Request	FY15 House Level	FY15 vs FY14 House	FY15 vs FY14 Enacted	FY15 vs President Request
Level		Nequest	Level	House	Enacieu	Kequest
2,141,527	2,246,427	1,234,468	1,334,468	-807,059	-911,959	+100,000

Revolving and Management Funds are appropriated \$1.334 billion, a level that is \$100 million above the President's budget request, \$912 million below the FY14 enacted level, and \$807

million below the level proposed by the House Appropriations Committee for FY14. A revolving fund is a fund that receives initial working capital through an appropriation and uses those resources to finance the initial cost of products and services. Financial resources to replenish the initial working capital and to permit continuing operations are generated by the acceptance of customer orders. An example would be services offered by the U.S. Transportation Command.

Title VI: Other Department of Defense Programs

*In thousands of dollars* 

FY14	FY14	FY15	FY15	FY15 vs	FY15 vs	FY15 vs
House	Enacted	President	House	FY14	FY14	President
Level		Request	Level	House	Enacted	Request

Other DOD Programs are appropriated \$33.796 billion, a level that is \$306 million below the President's budget request, \$1.239 billion below the FY14 enacted level, and \$2.19 billion below the level proposed by the House Appropriations Committee for FY14.

**Defense Health Program:** The bill provides \$31.635 billion for the Defense Health Program, a level that is \$360 million below the President's budget request, \$1.063 billion below the FY14 enacted level, and \$1.939 billion below the level proposed by the House Appropriations Committee for FY14. The primary mission of the <u>Defense Health Program</u> is to "provide for worldwide medical and dental services to active forces and other eligible beneficiaries." Within this total, \$30.081 billion is for Operations and Maintenance, \$308 million is for Procurement, and \$1.246 billion is for Research, Development, Test, and Evaluation (RDTE).

The level of RDTE is \$591 million above the President's budget request. Research funding is provided for alcohol and substance abuse, ALS, Alzheimer, autism, bone marrow failure, breast cancer, other cancers (including colorectal cancer, genetic cancer research, kidney cancer, listeria vaccine for cancer, liver cancer, melanoma and other skin cancers, mesothelioma, pancreatic cancer, stomach cancer, and the link between scleroderma and cancer), duchenne muscular dystrophy, gulf war illness, lung cancer, multiple sclerosis, orthopedic, ovarian cancer, prostate cancer, spinal cord, reconstructive transplant, traumatic brain injury and physiological health, tuberous sclerosis, vision, HIV/AIDS, the joint warfighter medical research program, and therapeutic service dog training.

**Drug Interdiction and Counter-Drug Activities:** The bill provides \$945 million for Drug Interdiction and Counter-Drug Activities, a level that is \$124 million above the President's budget request, \$71 million below the FY14 enacted level, and \$63 million below the level proposed by the House Appropriations Committee for FY14.

**Support for International Sporting Competitions:** The bill provides \$10 million for Support for International Sporting Competitions, a level that is equal to the President's budget request, \$10 million above the FY14 enacted level, and \$10 million above the level proposed by the House Appropriations Committee for FY14.

**Title VII: Related Agencies** 

*In thousands of dollars* 

FY14	FY14	FY15	FY15	FY15 vs	FY15 vs	FY15 vs
House	Enacted	President	House	FY14	<b>FY14</b>	President
		-	I		1 7 4 1	<b>T</b>
Level		Request	Level	House	Enacted	Request

Related Agencies are appropriated \$1.015 billion, a level that is \$9 million below the President's budget request, \$27 million below the FY14 enacted level, and \$51 million below the level proposed by the House Appropriations Committee for FY14.

Classified Programs: This legislation also provides for classified programs, including the Director of National Intelligence including the Intelligence Community Management staff, the Central Intelligence Agency (CIA), the Defense Intelligence Agency, the National Reconnaissance Office, the National Security Agency, the National Geospatial-Intelligence Agency, the intelligence services of the Departments of the Army, Navy, Air Force, and the CIA Retirement and Disability fund. This information is published in the classified annex.

**Title VIII: General Provisions** 

*In thousands of dollars* 

FY14	FY14	FY15	FY15	FY15 vs	FY15 vs	FY15 vs
House	Enacted	President	House	FY14	FY14	President
Level		Request	Level	House	Enacted	Request
-2,844,571	-2,779,189	-260,685	958,452	+3,803,023	+3,737,641	+1,219,137

The bill contains 138 General Provisions that amount to \$958 million. Notable General Provisions include:

**Rosoboronexport:** An amendment by Ms. DeLauro (D-CT) offered during markup was included that prohibits funding for contracts, agreements, grants, loans, or other agreements with the Rosoboronexport company unless certain conditions are met, such as a prohibition on Rosoboronexport contracts with Syria, a requirement that the Russian Federation withdraws armed forces from Ukraine, and a requirement that contracts be competitively bid. The amendment was adopted on a voice vote. The amendment pertains to the sale of Russian-made Mi-17 helicopters to the Afghan military.

**Afghanistan president:** Sec. 8119 prohibits funds that would go for the direct personal benefit of the President of Afghanistan.

**Stennis Center:** Sec. 8129 transfers \$1 million to the John C. Stennis Center for Public Service Training and Development Trust Fund. The <u>Stennis Center</u> is a legislative branch program meant to "attract young people to careers in public service." <u>Senator Stennis</u> (D-MS) served from 1947 until 1989. The Center was created by Congress in 1988 with an initial funding of \$7.5 million in Special Issue Treasury securities and the Center has the ability to draw funding from the interest on these securities.

**Military Pay Increase:** Sec. 8130 provides \$533.5 million to fully fund a 1.8 percent pay increase for active duty military personnel.

**Second Amendment Provisions:** Sec. 8134 prohibits funding to implement the U.N. Arms Trade Treaty unless it is ratified by the Senate. Sec. 8017 permanently prohibits the DOD from demilitarizing or disposing of M–1 Carbines, M–1 Garand rifles, M–14 rifles, .22 caliber rifles, .30 caliber rifles, or M–1911 pistols or to destroy small arms ammunition that is not otherwise prohibited for commercial sale by federal law.

Apache Helicopter Transfer from National Guard: Sec. 8136 prohibits the transfer of AH-64 Apache helicopters from the National Guard to the Army. The bill also mandates that the Secretary of Defense submit a report on the aircraft being retired as part of the Army proposal, including the number of airframes being divested, the number of airframes being transferred to other government agencies, the number of airframes being offered for sale to other nations, the cost of divesting these aircraft, and the impact the divestiture of these airframes will have on the domestic rotary wing industrial base. Furthermore, the Secretary of the Army is prohibited from divesting any aircraft until such report is submitted by the Secretary of Defense.

**Readiness:** Sec. 8137 provides \$1 billion for operation and maintenance accounts "for purposes of improving military readiness."

**Title IX: Overseas Contingency Operations** 

*In thousands of dollars* 

FY14 House	FY14 Enacted	FY15 President	FY15 House	FY15 vs FY14	FY15 vs FY14	FY15 vs President
Level	Enacted	Request	Level	House	Enacted	Request
		2204000	22,01	110450		2204000

Overseas Contingency Operations (OCO) is appropriated \$79.445 billion, a level that is equal to the President's FY14 OCO budget projection for FY15, \$5.582 billion below the FY14 enacted level, and \$6.16 billion below the level proposed by the House Appropriations Committee for FY14. This title does not count against the 302(b) level or the Budget Control Act cap.

**Budget Request:** Despite a recent announcement from the Administration regarding plans for an enduring U.S. military presence in Afghanistan, the President has not requested a specific budget for OCO funds. The Committee Report states that the appropriated funds made available by this bill are "a placeholder for ongoing military operations in Afghanistan... [to] provide the necessary resources for deployed servicemembers, including funding for personnel requirements, operational needs, new aircraft to replace combat losses, combat vehicle safety modifications, and maintenance of facilities and equipment."

Because the President has yet to make his detailed budget request, the provided level is subject to change. Sec. 9015 withholds 85 percent of the appropriated OCO funds until the President provides a detailed spending plan on how the funds will be used.

**Guantanamo Detainee Transfers:** The spending plan required by Sec. 9015 must contain an assurance that none of the funds will be used in contravention Section 1035 of the National Defense Authorization Act for Fiscal Year 2014, which requires the Administration to notify Congress 30 days in advance of a detainee transfer to a foreign country.

The legislation prohibits funding for transfers of Guantanamo detainees to the U.S. or its territories and denies funding to modify any facility in the U.S. to house detainees. These provisions are identical to language contained in the House-passed <u>National Defense</u> <u>Authorization Act for Fiscal Year 2015</u> (Sections 1032, and Section 1033).

Sec. 8139 prohibits funds in this or any other Act to be used in contravention <u>Section 1035 of the National Defense Authorization Act for Fiscal Year 2014</u>, which requires the Administration to notify Congress 30 days in advance of a detainee transfer to a foreign country. Similar language was included in the <u>Department of Defense Appropriations Act for Fiscal Year 2014 in Sections 8107</u>, 8108, and 8109.

**Permanent Base Prohibition:** Sec. 9007 prohibits the establishment of permanent military bases in Iraq or Afghanistan, or control over the oil resources of Iraq.

**Prohibition on Torture:** Sec. 9008 prohibits the use of funds in contravention of the U.N. Convention Against Torture.

**Syria:** Sec. 9013 prohibits the use of funds to introduce U.S. armed forces into hostilities in Syria in contravention of the War Powers Resolution.

<u>Unauthorized Appropriations:</u> The bill appropriates \$558.226 for programs which have not been authorized.

However, The House has passed <u>H.R. 4435</u>, the Howard P. "Buck" McKeon National Defense Authorization Act for Fiscal Year 2015 to authorize these programs. Although the Senate has yet to act on this measure, the Congress has passed a NDAA in each of the last 52 years.

<u>Committee Action</u>: The House Appropriations Committee marked up and approved H.R. 4870 on <u>June 10, 2014</u>, by a voice vote. The Committee also held a number of <u>oversight hearings</u>.

<u>Does the Bill Contain Any Earmarks/Limited Tax Benefits/Limited Tariff Benefits?</u>: According the <u>Committee Report</u>, "Neither the bill nor the report contains any Congressional earmarks, limited tax benefits, or limited tariff benefits."

<u>Constitutional Authority</u>: "Congress has the power to enact this legislation pursuant to the following: The principal constitutional authority for this legislation is clause 7 of section 9 of article I of the Constitution of the United States (the appropriation power), which states: "No Money shall be drawn from the Treasury, but in Consequence of Appropriations made by Law. . .." In addition, clause 1 of section 8 of article I of the Constitution (the spending power)

provides: ``The Congress shall have the Power . . . to pay the Debts and provide for the common Defence and general Welfare of the United States. . . ." Together, these specific constitutional provisions establish the congressional power of the purse, granting Congress the authority to appropriate funds, to determine their purpose, amount, and period of availability, and to set forth terms and conditions governing their use."

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