



COMMITTEE ON APPROPRIATIONS

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SUMMARY: FY2010 DEFENSE APPROPRIATIONS

The Fiscal Year 2010 Defense Appropriations Bill continues to put troops first, preparing them for whatever emergencies may arise, providing them with first class weapons and equipment, and ensuring that they and their families are well taken care of.

The bill makes critical investments in the health, well-being and readiness of our armed forces; addressing issues raised by servicemembers, their families, and Department of Defense officials in testimony before the Congress, and discovered through visits to military bases across the United States and overseas. At the same time, the bill begins to rein in the use of contractors and return inherently governmental functions to Department of Defense personnel.

The bill does not address the President's new Afghanistan security strategy because the Administration has yet to request any funding for that initiative.

The bill also includes a number of other provisions that are necessary to meet our obligations and prevent crucial programs from lapsing.

Bill Total for Defense

FY2009 Enacted:	\$625.3 billion
President's Request:	\$640.1 billion
House Passed:	\$636.3 billion
Senate Passed:	\$636.3 billion
2010 Total Bill:	\$636.3 billion

KEY INVESTMENTS

KEEPING OUR COMMITMENTS TO OUR TROOPS AND THEIR FAMILIES

Military Pay: The bill provides a 3.4% military pay increase, 0.5% above the request.

First Class Medical Care: \$29.2 billion, \$3 billion above 2009 and \$1 billion above the request, for the Defense Health Program to provide quality medical care for servicemembers and their families and funding to address the serious financial challenges facing the Defense Health Program; including fully funding the Department of Defense request of \$372 million for military medical research; in addition \$120 million is included for Traumatic Brain Injury and Psychological Health Research.

Supporting Military Families: \$472.4 million for Family Advocacy programs and full funding for Family Support and Yellow Ribbon to provide support to military families, including quality child care, job training for spouses, and expanded counseling and outreach to families experiencing the separation and stress of war.

Readiness and Training: \$154 billion, \$1.3 billion above 2009, for the Defense Operation and Maintenance Account to increase readiness and training of our troops. The bill rebalances funding from preparing for Cold War-era type conflicts to the highest priority readiness requirements for the hybrid operations that our military will be facing for the foreseeable future.

INCREASING OVERSIGHT TO IDENTIFY WASTE, FRAUD, AND ABUSE

Recognizing that the Department of Defense has the largest share of the federal budget, the bill includes a dramatic increase in funding to increase oversight to rein in waste, fraud, and abuse, and makes a concerted effort to in-source inherently government functions.

Reining in Outsourcing: \$5 billion, greater than the previous year, to allow defense personnel, not contractors, to perform critical department functions. The Department estimates that every position that is converted from contract to federal civilian saves on average \$44,000 per year. Additionally, the bill reduces contracted advisory and assistance services by \$51 million, and includes general provisions to stop further conversions by the Department of Defense from government functions to contractors.

The bill also directs DoD to in-source the task of vetting and issuing Common Access Cards and report on planned improvements of access control because the Committee found that about 212,000 contractors had been mistakenly been given Common Access Cards, causing a potential security risk.

Inspector General Oversight: \$288 million, \$16 million above the request, for the Inspector General to hire additional investigators to ensure proper oversight of DoD acquisition and contracting.

Undefinitized Contracts: The bill contains a provision restricting the use of funds in certain aircraft programs until prior year contracts are fully negotiated and definitized so that we know what exactly we are buying; this restores much needed discipline to the contracting process and providing leverage for the department to achieve the best possible pricing for the taxpayer.

IMPROVING MILITARY EQUIPMENT

The bill includes \$104.4 billion for procurement, \$3.46 billion above 2009 and \$816 million below the request, and \$80.5 billion for research and development, \$17 million above 2009 and \$1.9 billion above the request, to develop and field the weapons and equipment our troops need.

Bradley Fighting Vehicles: \$526 million as requested for Situational Awareness upgrades to 353 vehicles.

Stryker Combat Vehicles: \$364 million in the base bill, \$25 million below the request due to excessive program management costs.

E-2D Hawkeye: \$649 million, \$142 million above the request, for 3 E-2D Hawkeye aircraft, one above the request; and \$362.5 million for the continued development of the E-2D Advanced Hawkeye aircraft.

F-18 Super Hornet: \$1.5 billion for 18 F/A-18E/F Super Hornet Tactical aircraft, nine above the request; and \$1.6 billion for 22 EA-18G Growler electronic attack aircraft.

F-35 Lightning: \$6.8 billion, matching the requested, for the procurement of 30 F-35 Lightning Aircraft, including 16 Short Take-off and Vertical Landing (STOVL) variants for the Marine Corps, 4 Carrier variants for the Navy, and 10 conventional variants for the Air Force. The bill also includes \$465 million, not requested, to continue development and initial procurement of the Alternative Engine for the Joint Strike Fighter.

V-22 Osprey: \$2.7 billion for the procurement of 30 MV-22 and five CV-22 Osprey aircraft, equal to the President's request.

E-8 JSTARS: \$62 million, \$46 million above the request, for JSTARS re-engining research and development and \$54 million for continued procurement.

Air Force Cargo Aircraft: \$2.5 billion for 10 additional C-17s above the budget request; \$905 million for five C/HC/MC-130Js and advance procurement for 20 C/HC/MC-130s; \$319 million, matching the request, for eight C-27J Joint Cargo Aircraft; and \$202 million, \$49 million above the request, for Infrared Missile Countermeasures for the C-17 and C-130 aircraft.

Multi-mission Maritime Aircraft: \$1.2 billion for the continued development of the Multi-mission Maritime Aircraft.

Next Generation Aerial Refueling Aircraft: \$306 million for the development of the Next Generation Aerial Refueling Aircraft.

Unmanned Aerial Vehicles (UAVs): \$554 million, matching the request, to procure RQ-4 Global Hawk UAVs; and \$489 million for 24 MQ-9 Reapers.

Military Helicopters: \$3.34 billion to increase and improve the military's fleet of helicopters, including \$326 million, as requested, for 54 Light Utility Helicopters; \$1.26 billion as requested for 79 UH-60 Blackhawk Helicopters; \$882 million for 27 CH-47 Chinook Helicopters; \$584.8 million for 24 UH-1Y Huey/AH-1Z Cobra Helicopters; and \$145 million above the request for five HH-60M helicopters and modifications to the existing HH-60G fleet.

Presidential Helicopter: \$130 million, of which \$100 million is for technology capture to recoup investments in research and development of the VH-71, an increase of \$44.8 million above the request.

Tactical Wheeled Vehicles: \$498 million for the procurement of Medium Tactical Vehicles, and \$613 million for the procurement of Heavy Tactical Vehicles. The Overseas Contingency Operations portion of the bill includes additional funding for tactical vehicles.

Targeting pods: \$68 million, \$18.5 million above the request, for targeting pods to increase the combat effectiveness and precision strike ability of U.S. military aircraft.

Guided MLRS Rockets: \$293.6 million, as requested, for 2,628 Guided Multiple Launch Rocket System Rockets, to enhance the precision strike ability for U.S. artillery.

Shipbuilding: \$15 billion, \$120 million above the request, for the procurement of 7 Navy ships, including: one DDG-51 Guided Missile Destroyer; one SSN-774 Attack Submarine; two Littoral Combat Ships; one Intra-theater Connector Ship; and two T-AKE Auxiliary Dry Cargo/Ammunition Ships.

Enhanced Radar Technology: \$32 million, \$30 million above the request, for advanced radar technology.

Electronic Warfare: \$248.5 million, as requested, for continued development of electronic warfare devices to protect our troops.

Advanced Communications: \$880 million, as requested, for continued development of the Joint Tactical Radio System; and \$50 million for Digital Communications, \$50 million above the request. The recommendation provides \$1.8 billion, matching the request, for a fourth Advanced Extremely High Frequency communications satellites.

Missile Defense: \$589 million, matching the request, for the Theater High Altitude Area Defense (THAAD) system and the Standard Missile 3 (SM-3); \$569 million, matching the request, for the continued development of the Patriot/MEADS Combined Aggregate Program; \$638.8 million, matching the request, for Ballistic Missile Defense Sensors Capability; \$50.5 million, matching the request, for Ballistic Missile Defense European Capability; \$202 million, \$82.8 million above the request, for the Israeli Cooperative Program; and \$80 million, not requested, for the Early Interceptor Program.

Future Combat Systems: \$2.29 billion for continued development of the restructured Future Combat Systems Program. The recommendation is \$330 million below the request due to excessive termination liability and \$1.1 billion below 2009.

SPACE: \$292 million, \$97.4 million below the request, for the Global Positioning System III, operational control segment (OCX), plus \$50 million for next generation military satellite communications system.

Defense Advanced Research Projects Agency (DARPA): \$3 billion, \$246 million below the request for research and development programs because of chronic under-execution.

OVERSEAS CONTINGENCY OPERATIONS

The bill does not contain any portion of the Administration's expected request for additional funds for operations in Afghanistan. The bill does include funding for existing operations and maintenance.

Ongoing Military Operations: \$101.1 billion, \$2.3 billion below the request, for operations and maintenance, and military personnel requirements for ongoing military operations in Iraq and Afghanistan, and to support preparations to continue withdrawal from Iraq, including:

- \$15 billion for military personnel.
- \$5 billion for the Overseas Contingency Operations Transfer Fund, to respond to the highly variable nature of the costs to rebalance US forces between Iraq and Afghanistan, and to begin the redeployment from Iraq. This account carries protections so that the Congressional defense committees have the opportunity to review and approve any funding actions in this account.
- \$1.2 billion for defense health programs to provide medical care to active forces as well as mobilized Reserve Components, and their family members. This funding also provides care for combat injuries and other additional support requirements including communications, telemedicine, public health support, and post deployment health assessments.

Equipment and Force Structure: \$23.36 billion, \$1.71 billion above the request, for equipment used by our service members in Iraq and Afghanistan, including:

- \$6.3 billion, \$825 million above the request, for the Mine Resistant Ambush Protected (MRAP) Vehicle Fund to procure over 6,600 new MRAP all-terrain vehicles to protect our troops.
- \$80 million for the procurement of MQ-1 Predator Unmanned Aerial Vehicles, a reduction of \$170 million due to request in excess of capacity.
- \$1.1 billion, \$187 above the request, for the procurement of High Mobility Multi-Purpose Wheeled Vehicles (HMMWVs).
- \$863 million, \$577 million above the request, for the procurement of Family of Medium Tactical Vehicles.
- \$803 million, \$180 million above the request, for the procurement of Family of Heavy Tactical Vehicles.

IMPORTANT POLICY PROVISIONS

No Permanent Bases: Continues a general provision prohibiting the establishment of permanent bases in Iraq or Afghanistan.

Torture: Continues a general provision prohibiting the torture of detainees held in US custody.

CERP: Provides \$1.2 billion, a reduction of \$300 million from the request, for the Commanders Emergency Response Program (CERP), and withholds \$500 million in funding until the department develops and submits a comprehensive spending plan.

Guantanamo Bay Detention Facility: Provides no funds for the closure of the detention facility at Guantanamo Naval base.

OTHER ITEMS

Small Business Loans: Allows the Small Business Administration (SBA) to continue two temporary enhancements to its loan guarantee program through February 28, 2010 to make loans more attractive to borrowers and lenders and to free up capital, with one raising the percentage of loan amounts that the SBA can guarantee to 90% and the other allowing SBA to waive or reduce loan fees. Small businesses represent a major engine for the U.S. economy, but many small business owners have had a difficult time securing needed loans in these tight economic times. The extension is fully offset.

Patriot Act: Extends authorizations through February 28, 2010.

Flood Insurance: Extends the National Flood Insurance Program through February 28, 2010.

Medicare Physician Payments Extension: Delays, through February 28, 2010, a scheduled 21.2% cut in Medicare physician payments. The delay is fully offset.

Surface Transportation Authorization Extension: Extends the authorization for the highway, transit, highway safety and motor carrier safety programs of the Department of Transportation until February 28, 2010.

Unemployment Insurance: Extends expanded unemployment benefits, including increased payouts and longer duration of benefits, through February 28, 2010.

Help with Health Insurance for Unemployed Workers (COBRA): Extends from nine to 15 months the 65% COBRA health insurance subsidy for individuals who have lost their jobs. The job lost eligibility date is extended in the provision to February 28, 2010. Approximately seven million people benefited from the premium subsidy provided in the Recovery Act.

Satellite Television Extension and Localism: Extends the compulsory copyright license used by satellite television providers, which expires on December 31, 2009, through February 28, 2010. The extension is fully offset.

Nutrition Assistance: Includes language ensuring the Supplemental Nutrition Assistance Program (SNAP) will have sufficient funding to meet the growing demand for nutrition assistance from modest-income families and provides \$400 million in additional funding for state administrative expenses, to speed up processing of applications. SNAP participation increased 18% in the last year to over 37 million people.

Assistance Eligibility: Maintains Department of Health and Human Services (HHS) poverty guidelines at 2009 levels through February 28, 2010 in order to prevent a reduction in eligibility for certain means-tested programs, including Medicaid, Supplemental Nutrition Assistance Program (SNAP), and child nutrition.