



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

May 20, 2019

The Honorable Nita Lowey
Chairwoman
Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

Dear Chairwoman Lowey:

On May 15, 2019, the Defense Appropriations Subcommittee considered the fiscal year (FY) 2020 Department of Defense Appropriations bill. While the Administration appreciates the bill's support for our Nation's military, we are strongly opposed to the budgetary framework that underlies this and other appropriations bills being considered by the Appropriations Committee. In advance of Full Committee consideration of this bill, I would like to take this opportunity to share both these overall concerns as well as specific concerns related to this bill.

The Department of Defense Appropriations bill is being considered under House Democrats' budget framework, which would raise the discretionary spending caps by more than \$350 billion in FYs 2020 and 2021 and does not reflect a House-passed budget resolution or a bipartisan, bicameral agreement. This would put the Federal Government on track to add nearly \$2 trillion to deficits over 10 years, while the national debt is already above \$22 trillion and rising.

In addition, the House Democrats' framework continues the misguided notion that increases to defense spending must be matched or exceeded by increases to non-defense spending. The bills under consideration actually provide more than twice as much additional funding in FY 2020 for non-defense than for defense programs, relative to FY 2019 levels. Investing in our national security remains a key Administration priority, but ensuring our defense does not require additional non-defense discretionary funding.

Excessive deficits continue to threaten the Nation's progress, and without action to restore the proper size and role of Government, deficits will remain over a trillion dollars per year for the foreseeable future. The President's FY 2020 Budget request provides the Congress with a clear roadmap for bringing Federal spending under control. It proposes more spending reductions than any other administration has proposed in history, while providing necessary funding for defense, national security, and other critical needs. Importantly, the FY 2020 Budget request protects these key priorities while adhering to the discretionary spending caps in current law. The Congress must do the same.

Overall, the Subcommittee bill provides \$689.5 billion for the Department of Defense (DOD), \$7.8 billion below the FY 2020 Budget request and \$15.7 billion above the FY 2019 enacted level. The Administration appreciates that the bill provides funding to rebuild readiness and lethality, strengthen alliances and partnerships, and improve performance and affordability through reform, consistent with the National Defense Strategy. The bill also includes a 3.1 percent pay raise for military personnel and provides many of the resources requested in the FY 2020 Budget to advance America's military capability and capacity.

The bill includes \$621.4 billion in base funding, \$88.1 billion above the FY 2020 Budget request, and \$68.1 billion for Overseas Contingency Operations (OCO) funding, \$95.9 billion below the FY 2020 Budget request. The Administration prefers using both OCO and emergency funding to provide the necessary resources to support the National Defense Strategy. This approach is vital to ensure that essential funding to defend the Nation does not depend on another budget agreement or legislation increasing the base budget defense cap in current law. In addition, the bill underfunds key investments in critical areas prioritized in the FY 2020 Budget request and includes problematic language in several sections, including:

- United States Space Force. The bill only provides \$15 million to study the establishment of the Space Force, \$57 million below the FY 2020 Budget request. We look forward to working with the Committee to fully fund the Space Force should it be authorized in subsequent legislation
- Research, Development, Test and Evaluation (RDT&E). The bill provides \$101 billion for RDT&E, \$3 billion below the FY 2020 Budget request. Underfunding RDT&E would constrain DOD's ability to make key investments in research, engineering, and prototyping to maintain the military's technological superiority.
- Transfer Authority. Section 8005 of the bill would limit the DOD's base budget General Transfer Authority to \$1 billion in FY 2020, compared to \$5 billion in the FY 2020 Budget request and \$4 billion at the FY 2019 enacted level. Similarly, section 9002 would limit OCO Special Transfer Authority to \$0.5 billion in FY 2020, compared to \$4.5 billion in the FY 2020 Budget request and \$2 billion at the FY 2019 enacted level. These lower levels of transfer authority would severely constrain the DOD's ability to make necessary transfers between accounts in response to unforeseen or emerging military requirements.
- Border Funding. Section 8127 of the bill would prohibit the use of FY 2020 or prior-year defense appropriations to construct barriers or security infrastructure along the southern border. This section would also prohibit DOD from augmenting counter-drug appropriations using transfer authority, or using counter-drug appropriations for the construction of fences under section 284 of Title 10, United States Code. This funding and this authority are critical to assisting the Department of Homeland Security's (DHS) efforts to secure and manage the southern border. Physical barriers impede the flow of illegal crossings, drugs, and other contraband, and therefore make DHS efforts at the border more effective.

- Republic of Turkey. Section 8111 of the bill would prohibit the use of any funds to deliver F-35 aircraft or related equipment to the Republic of Turkey. The Administration shares the concerns reflected in the bill regarding the transfer of F-35s to Turkey should Turkey purchase the S-400. The Administration strongly opposes Turkey's purchase of the S-400, which is incompatible with its continued participation in the F-35 program. Nonetheless, this provision is unacceptable as currently written, because it could prohibit delivery of F-35s even if Turkey foregoes the S-400 system. The Administration supports ongoing discussions between the United States and Turkey and seeks to retain Turkey in the F-35 program, as long as Turkey declines the S-400 system.

As the Committee takes up the Department of Defense Appropriations bill, the Administration looks forward to working with you to address these concerns.

Sincerely,



Russell T. Vought
Acting Director

cc: The Honorable Pete Visclosky
The Honorable Ken Calvert

Identical Letter Sent to the Honorable Kay Granger