



July 27, 2018

FY2019 Defense Appropriations Bill: An Overview of S. 3159, as Reported

The FY2019 Defense Appropriations Bill approved by the Senate Appropriations Committee on June 28 would appropriate \$668 billion for the Department of Defense (DOD). This amount excludes appropriations for military facility construction and family housing, which are provided in a separate appropriations bill.

As reported by the committee, the *Department of Defense Appropriations Act, 2019* (S. 3159) would appropriate \$16.1 billion more than the amount enacted in the FY2018 bill (Division C of P.L. 115-141) and other appropriations (an increase of approximately 2.5%), and \$0.4 billion less than the Administration requested for such programs in FY2019 (see **Table 1**).

S. 3159 would appropriate \$600.1 billion for DOD’s *base budget*—activities the department would pursue even if U.S. forces were not engaged in operations in Afghanistan, Iraq, Syria, and elsewhere. The bill would appropriate \$67.9 billion for Overseas Contingency Operations (OCO) to cover the incremental cost of ongoing operations in the Middle East and elsewhere, as well as other requirements.

The bill would appropriate a level of funding consistent with the cap on national defense discretionary budget authority established by the Bipartisan Budget Act of 2018 (P.L. 115-123). (See CRS Report R44039, *The Defense Budget and the Budget Control Act: Frequently Asked Questions*, by Brendan W. McGarry.)

While the total appropriations in S. 3159 would nearly equal the President’s budget request, the Senate bill would provide additional funding for a number of programs—with slightly more offsets to other programs. In a report accompanying the legislation (S.Rept. 115-290), the committee described its recommended changes as the:

“... elimination of funds requested for programs which are lower priority, duplicative, or not supported by firm requirements in out-year development or procurement appropriations; deletion of excess funds based on program delays or slow execution; addition of funds to reflect congressional priorities and to rectify shortfalls in the budget estimate; and implementation of recommendations in the National Defense Authorization Act.”

Table 1. FY2019 Defense Appropriations: Senate Appropriations Committee-Reported S. 3159
amounts in billions of dollars of discretionary budget authority (numbers may not sum due to rounding)

| | FY2018 Enacted Defense Appropriations | | | FY2019 Request | SAC-Reported S. 3159 |
|-------------------------------|--|---|--------------|----------------|----------------------|
| | Regular defense appropriation (Division C of P.L. 115-141) | Missile defense and ship repair (P.L. 115-96) | Total | | |
| Base Budget | | | | | |
| Military Personnel | 133.4 | -- | 133.4 | 140.7 | 139.3 |
| Operation and Maintenance | 188.2 | 0.7 | 189.0 | 199.5 | 194.0 |
| Procurement | 133.9 | 2.4 | 136.3 | 130.6 | 135.2 |
| Research and Development | 88.3 | 1.3 | 89.7 | 91.1 | 95.1 |
| Revolving and Mgmt. Funds | 1.7 | -- | 1.7 | 1.5 | 1.6 |
| Def. Health Program and Other | 36.6 | -- | 36.6 | 35.8 | 36.3 |
| Related Agencies | 1.1 | -- | 1.1 | 1.1 | 1.0 |
| General Provisions | -0.9 | -- | -0.9 | 0.1 | -2.6 |
| Subtotal: Base Budget | 582.3 | 4.5 | 586.8 | 600.3 | 600.1 |
| Overseas Contingency Ops. | 65.2 | -- | 65.2 | 68.1 | 67.9 |
| Total | 647.4 | 4.5 | 651.9 | 668.4 | 668.0 |

Source: S.Rept. 115-290.

Notes: The regular FY2018 defense appropriations bill was enacted as Division C of the FY2018 Consolidated Appropriations Act (P.L. 115-141). An additional \$4.5 billion for defense was appropriated as a part of the third FY2018 continuing resolution (P.L. 115-96). These funds, designated as emergency spending, were primarily allocated to accelerate missile defense improvements and to repair two Pacific Fleet destroyers damaged in collisions in 2017. These figures do not include other FY2018 appropriations for DOD accounts: \$434 million to repair hurricane damage, designated as emergency funding, appropriated as part of the fifth continuing resolution (P.L. 115-123); and \$8.1 billion in accrual payments to fund the TRICARE for Life program of medical insurance for military retirees, funding which is appropriated automatically as a matter of permanent law (10 U.S.C. 1111-1117).

Selected Highlights

- **End-Strength Increase.** The bill would appropriate \$139.3 billion in the base budget for military personnel, an increase of \$5.9 billion over the enacted FY2018 level but \$1.4 billion less than the President’s request. The committee recommended an end-strength increase of 6,961 personnel over the enacted FY2018 level but 9,439 personnel (including 8,639 active-duty and 800 reservists) fewer than the President’s request.
- **Readiness Differences.** The bill would appropriate \$194.0 billion in the base budget for operation and maintenance (O&M), an increase of \$5.0 billion over the enacted FY2018 level but \$5.5 billion less than the President’s request.
- **Procurement Decrease.** The bill would appropriate \$135.2 billion in the base budget for procurement, a decrease of \$1.1 billion from the enacted FY2018 level but \$4.6 billion more than the President’s request.
- **RDT&E Increase.** The bill would appropriate \$95.1 billion for research, development, test, and evaluation, an increase of \$5.5 billion from the enacted FY2018 level and \$4.1 billion more than the President’s request.

Weapons and Equipment

- **More F-35s.** The bill would appropriate \$9.8 billion to procure 89 F-35 Joint Strike Fighter aircraft, \$1 billion and 12 aircraft more than the President’s request, including \$741 million for eight more F-35C carrier variants for the Navy and Marine Corps, and \$285 million for four more F-35B short takeoff/vertical-landing variants for the Marine Corps. (The figures include decrements from estimated “unit cost savings.”)
- **Selected Aircraft.** The bill would appropriate more funding than the President’s request for a variety of other aircraft, including an additional \$720 million for more AH-64 Apache attack helicopters for the Army National Guard, \$300 million for new O/A-X light-attack aircraft for the Air Force, and \$218 million for three more Marine Corps V-22 Osprey tilt-rotor aircraft.
- **JSTARS/ABMS.** The bill would appropriate funding for the Air Force to continue operating the legacy E-8 Joint Surveillance Target Attack Radar (JSTARS) fleet, add \$375 million to buy more MQ-9 Reaper drones to address near-term risks to battlefield communications, and direct the Secretary of the Air Force to submit a report on the service’s approach to develop the new Advanced Battle Management System (ABMS).
- **Shipbuilding Increase.** The bill would appropriate \$24 billion to fund construction of 13 new ships, \$2.1 billion and three ships more than the President’s request. The additional funding includes \$500 million in advance procurement for an LPD-17 Flight II amphibious transport dock, \$475 million in Littoral Combat Ship procurement for “Program increase: Additional ship,” and \$350 million in advance procurement for the LHA-9 (landing helicopter assault) amphibious assault ship.

- **No Low-Yield Nuke Funding.** The bill would direct that no FY2019 funding be used to deploy a new low-yield submarine-launched nuclear ballistic missile recommended by the Nuclear Posture Review until DOD reports on such W76-2 Trident II D5 warheads.
- **Cruise Missile Defense.** The bill would appropriate \$197 million in research and development funding for the Army’s Indirect Fire Protection Capability (IFPC)—technology designed to protect bases in Europe and Asia from cruise missile threats—\$12 million less than the President’s request. The committee directed the Secretary of the Army to submit a report on the service’s review of the program, revised acquisition strategy, and resulting resourcing requirements.
- **Stryker Upgrades.** The bill would add \$243 million to the President’s request to upgrade 82 Stryker combat vehicles to the Double V-Hull A1 variant to better protect personnel from roadside blasts.

Personnel and Health

- **2.6% Military Pay Raise.** The bill would appropriate funding for a 2.6% military pay raise—the largest increase since 2010 and matching private-sector wage growth. It would also support a 1.9% pay raise for DOD civilian employees.
- **Electronic Health Records.** The bill would appropriate \$2 billion for Defense Health Program information management, including such efforts as Military Health System (MHS) Genesis, the new electronic health record system, and necessary technology upgrades called Medical Community of Interest (Med-COI) at implementation sites.

Foreign Affairs

- **Afghanistan.** The bill would appropriate \$4.7 billion for the Afghanistan Security Forces Fund, \$533 million less than the President’s request, due in part to “insufficient budget justification.” The committee noted DOD “remains unable to provide an accurate accounting of current and prior year spending at the budget justification request line level.”
- **Iraq and Syria.** The bill would appropriate \$994 million to counter the Islamic State of Iraq and Syria (ISIS), \$406 million less than the President’s request, due to “insufficient budget documentation.”

More Information

CRS In Focus IF10887, *The FY2019 Defense Budget Request: An Overview*, by Brendan W. McGarry

CRS In Focus IF10928, *FY2019 Defense Appropriations Bill: An Overview of House-passed H.R. 6157*, by Pat Towell

CRS Appropriations Status Table: FY2019 at <http://www.crs.gov/AppropriationsStatusTable/Index>

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