



DEPARTMENT OF DEFENSE APPROPRIATIONS BILL (H.R. 2397)

JULY 23, 2013

The Department of Defense Appropriations bill provides \$512.5 billion in discretionary budget authority for the base operations of the Defense Department and \$85.8 billion for the conduct of the global war on terrorism. Additionally there is \$514 million in appropriated entitlement spending for the CIA Retirement and Disability fund. The funding in the bill is 5.4% above the FY 2013 post-sequester levels and 0.6% below the President's request.

The spending level in the bill does not exceed the 302(b) allocation adopted by the Appropriations Committee, which are in aggregate within the overall spending level approved by the House in the Budget Resolution (H. Con. Res. 25).

| Department of Defense Appropriations (Millions of \$Discretionary BA) | | | | | | |
|--|----------------|--------------------|--------------------------|----------------------------|-------------|--|
| | 2013 | | 2014 2014 Reported | % Change | | |
| | Estimated | Post- Sequester | | Rept vs. 2013 Estimated | % Change | |
| Department of Defense (Base) | 485,714 | 514,808 | 511,247 | 5.3% | -0.7% | |
| Military Personnel | 135,559 | 137,657 | 137,488 | 1.4% | -0.1% | |
| Operations & Maintenance | 191,710 | 208,473 | 207,689 | 8.3% | -0.4% | |
| Procurement | 93,290 | 98,839 | 98,606 | 5.7% | -0.2% | |
| Research, Development, Test and Evaluation | 63,456 | 67,476 | 65,364 | 3.0% | -3.1% | |
| Revolving and Management Funds and Allowances | 1,699 | 2,363 | 2,100 | 23.6% | -11.1% | |
| Intelligence Community/Other (unclassified) | 747 | 1,063 | 1,275 | 70.7% | 19.9% | |
| Subtotal, Base Appropriations | 486,461 | 515,871 | 512,522 | 5.4% | -0.6% | |
| Global War on Terrorism (DOD) | 82,190 | 80,723 | 85,769 | 4.4% | 6.3% | |
| Total, DOD Appropriations Bill | 568,651 | 596,594 | 598,291 | 5.2% | 0.3% | |

This measure provides the overwhelming majority of the funding for the Department of Defense's military activities with the remaining funding provided in the Military Construction-VA (for military construction and family housing) appropriations bill. Key activities funded in this bill include:

Military Personnel. The military personnel accounts provide funding for compensation costs of the uniformed military, including basic, incentive, and special pays for active duty, reserve, and National Guard personnel; accrual payments for future retirees; housing, subsistence, and other allowances; recruitment and retention initiatives; permanent change of station costs; and other ancillary benefits. The bill provides \$137.5 billion for these accounts which is \$169 million below

the President's request and approximately \$1.9 billion above the FY 2013 enacted levels. This level of funding is consistent with the troop levels assumed in the President's request and the House-passed defense authorization bill.

Operations & Maintenance. The operation and maintenance accounts include funding for the daily operations of the Department of Defense. This includes funding for DOD civilians, the majority of funding for the defense health program, maintenance of equipment, and fuel, supplies, and spare parts for weapons and equipment. Funding for these accounts is 8.3% above FY 2013 post-sequester levels and approximately 0.4% or \$784 million below the President's request.

Procurement. The procurement accounts provide funding for the acquisition of vehicles, weapons, ammunition, and other equipment. These accounts provide for the recapitalization and modernization of the armed forces, as opposed to the replacement of combat losses or procurement of equipment specifically designed or needed for prosecution of the global war on terrorism. The bill provides \$98.6 billion, which is 5.7% above 2013 post-sequester levels and 0.2% below the President's request.

Research, Development, Test & Evaluation [RDT&E]. Together with the procurement accounts, these accounts are known as DOD's "investment" budget, because they constitute the programs that eventually result in new capabilities for the Department of Defense. The bill provides \$65.4 billion, 3% above FY 2013 post-sequester levels and 3.1% below the President's request.

Intelligence Community. The bill provides \$553 million for the Intelligence Community Management Account, which is 12.6% above 2013 levels and 2.6% below the President's request. The bill also provides a classified level of funding for the National Intelligence Program and the Military Intelligence Program.

Global War on Terrorism. The budget resolution provided a separate allocation for the Global War on Terrorism (GWOT). The bill provides \$85.8 billion, 4.4% above 2013 post-sequester levels and 6.3% above President's request, for the incremental costs to the Department of Defense for prosecuting the Global War on Terrorism. In FY 2013, DOD underestimated its GWOT needs requiring a substantial reprogramming of funds from the base budget into the GWOT budget in order to provide for the operational needs of the troops in the field.

This document was prepared by the Republican staff of the Committee on the Budget, U.S. House of Representatives. It has not been approved by the full committee and may not reflect the views of individual committee members.