

Amendment to the Chairman's Mark

Offered by Representatives Lee, Yarmuth, DelBene, Wasserman Schultz, Khanna, Jayapal, Jackson Lee, and Schakowsky

**End the OCO Budget Gimmick**

1. Amend the committee report to reflect the following policy assumptions:

The Budget Control Act of 2011 allows discretionary caps to be automatically increased for overseas contingency operations (OCO) funding, which has created a large loophole that has been used to circumvent discretionary funding caps. This practice has implications for the budget's bottom line and the effectiveness of our military. It obfuscates the true cost of regular government operations, disincentivizes tradeoffs in the budget, and inhibits long-term planning. In short, it is bad budgeting.

Both the Pentagon and Congress have abused this loophole by designating non-war related funding as "OCO." The Pentagon has funded through the OCO designation billions of dollars of costs associated with active-duty end strength, operating requirements, weapon system upgrades, and efforts to deter Russia and reassure U.S. allies that normally would be funded within the "base" budget. Likewise, Congress has increasingly turned to this gimmick over the years, adding billions of dollars above the military's requests for overseas contingencies to fund non-war activities. Moreover, Government Accountability Office concluded in a 2017 report that there are tens of billions of dollars of "enduring" costs funded with OCO appropriations each year that should more appropriately be funded in the base budget.

If discretionary caps are too low and additional funding is needed to address the country's priorities, Congress should raise the caps by amending the law, rather than through using backdoor loopholes that undermine the integrity of the budget process. Congress owes it to the American people to allocate their tax dollars in a transparent manner and in a way that ensures that government runs efficiently and effectively. It especially owes the men and women who serve in our military the funding certainty they need to plan so they can carry out the missions the country gives them.

Accordingly, in its capacity as custodian of the budget process, the House Budget Committee will endeavor to end this practice.