

Amendment to the Chairman's Mark

Offered by Representatives Van Hollen, McDermott, Lee, and Pocan

**Truth in Budgeting – Preventing the Abuse of the “Overseas Contingency Operations” Designation to Skirt Funding Caps**

1. At the end of Title IV, Sec. 408. add the following:

“Providing Additional Oversight to Prevent Abuse of the Overseas Contingency Operations Designation

“(a) Whereas—

- (1) abuse of the OCO/GWOT cap adjustment is a backdoor loophole that undermines the integrity of the budget process;
- (2) the Budget Committee will exercise its oversight responsibilities with respect to the use of the OCO/GWOT designation in the FY 2016 budget process;
- (3) the Budget Committee will oppose increases above the levels the Administration and our military commanders say are needed to carry out operations unless it can be clearly demonstrated that such amounts are war-related;

(b) if any bill, joint resolution, amendment, or conference report makes appropriations for fiscal year 2016 for overseas contingency operations and such amounts are so designated pursuant to this paragraph, then the Chairman of the House Committee on the Budget may adjust the allocation to the House Committee on Appropriations by the amounts provided in such legislation for that purpose up to, but not to exceed, the total amount of budget authority the President requests for overseas contingency operations/global war on terrorism for fiscal year 2016 and justifies in a detailed, account-level, submission to Congress.

(c) Limitation.— Adjustments made pursuant to paragraph (b) shall only include funding appropriated to the Overseas Contingency Operations title of an appropriations bill for war activities and related diplomatic and development operations, or for activities related to countering urgent national security threats, and shall not include funding for regular, base budget activities.”

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

The resolution withholds from the initial 302(a) allocation to the Appropriations Committee all funding for overseas contingency operations (OCO). The Chairman of the House Committee on the Budget has the authority to make adjustments to the allocation for legislation providing funds designated as OCO up to the total level requested by the President for fiscal year 2016, provided that the funding so designated is not for regular, base budget activities.

The Budget Control Act of 2011 allows discretionary caps to be automatically increased for OCO funding, which has created a large loophole that has been used to circumvent discretionary funding caps. 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, flying hour requirements, and weapon system upgrades that normally would be funded within the “base” budget. Over the last two years, Congress shifted \$12 billion of non-war activities requested in the base budget into the OCO budget to free up funds within the budget caps. Over 2001 through 2014, Pentagon OCO cost reports indicate that \$71 billion of non-war funding was provided through war appropriations.

The resolution, through this enforcement mechanism, instills greater discipline and transparency in the budgeting process. 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.