International Pressures

• IRAN
• ISIS/ISIL
• RUSSIA – UKRAINE
• CHINA
• ETC
Issues Facing Congress

- GOVERNMENT FUNDING AND THE BUDGET
- ACQUISITION REFORM
- DEBT CEILING
- HEALTH CARE
- HIGHWAY TRUST FUND
- TRANS PACIFIC PARTNERSHIP FAST-TRACK
- EX-IM BANK REAUTHORIZATION
DoD Base Discretionary Trends

DoD Base Discretionary Budget Authority (Current $)

- BCA Caps
- BBA-FY14 Omnibus
- PresBud FY16
- DoD Base BA - Sequester

FY 12 | FY 13 | FY 14 | FY 15 | FY 16 | FY 17 | FY 18 | FY 19
---|---|---|---|---|---|---|---
536 | 527 | 534 | 546 | 556 | 567 | 579 | 592
536 | 496 | 496 | 496 | 496 | 496 | 496 | 496
475 | 488 | 500 | 515 | 527 | 540

$ Billions
DoD’s Actuals & Projected vs. Sequester

DoD Discretionary Base Budget Compared to Sequester

- **$ Billion (Current Dollars)**
- **Proposed Add Back**
- **Actual Add Back**
- **Original Sequester Estimate**

<table>
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<th>Fiscal Year</th>
<th>Proposed Add Back</th>
<th>Actual Add Back</th>
<th>Original Sequester Estimate</th>
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FY2016 Budget Debate

- Congressional budgets—capped at BCA levels for defense: $499B
- Both chambers’ OCO: ~$89B
- Congressional total: ~$588B

- President’s base defense budget: $534B ($35B over BCA level)
- President’s FY16 OCO request: $51B
- Total: $585B

- Disagreement over how the OCO versus base debate will resolve.
- Veto threat over NDAA as a result.
- Year-long CR? OCO increase? Or Ryan-Murray II?
National Defense Authorization Act

• The House passed its NDAA by a wide (but not as wide as usual) margin (80+ votes, including 40+ Democrats) in May.

• SASC marked up its NDAA on May 12-14.

• Floor time is scheduled for later this week, after the NSA bulk collection debate ends.

• Will the Senate have the votes to move to proceed to the NDAA? Enough votes to pass it?
Small Arms in SASC NDAA

- Small arms strategy required by Senate defense bill (Sec. 151)
- Joint (Army & Marine Corps) report due a year after final passage
- 15 year strategy to modernize small arms, with a focus on competition for small arms and parts.
- Plan should include:
  - Pistols
  - Carbines
  - Rifles and automatic rifles
  - Light machine guns
  - Non-standard small arms
Other Items of Interest in the NDAAs

• No BRAC, but BRAC studies
• Compensation reform
• Acquisition reform
• Headquarters/overhead reform
Appropriations

House has passed Energy & Water, Legislative Branch, Military Construction and VA bills.

CJS & THUD on the House Floor possibly this week.

House defense appropriations bill mark-up today in Committee at 10:15 a.m.

Senate committee has reported only Energy & Water and MILCON-VA, and hasn’t passed any bills yet.

NDAA debate will tell a lot about what will happen on appropriations.
QUESTIONS?