



2018 National Defense Strategy

- **Guides DoD to support the National Security Strategy in order to:**
 - Defend the homeland
 - Remain the preeminent military power in the world
 - Ensure the balances of power in key regions remain in our favor
 - Advance an international order that is most conducive to our security and prosperity
- **Prioritizes DoD investments to compete, deter, and win**
- **Sustains American influence through three lines of effort:**
 - Build a more lethal, resilient, agile, and ready Joint Force
 - Strengthen alliances and attract new partners
 - Reform for greater performance and affordability



Requires adequate resources to position the United States for long-term competition with China and Russia

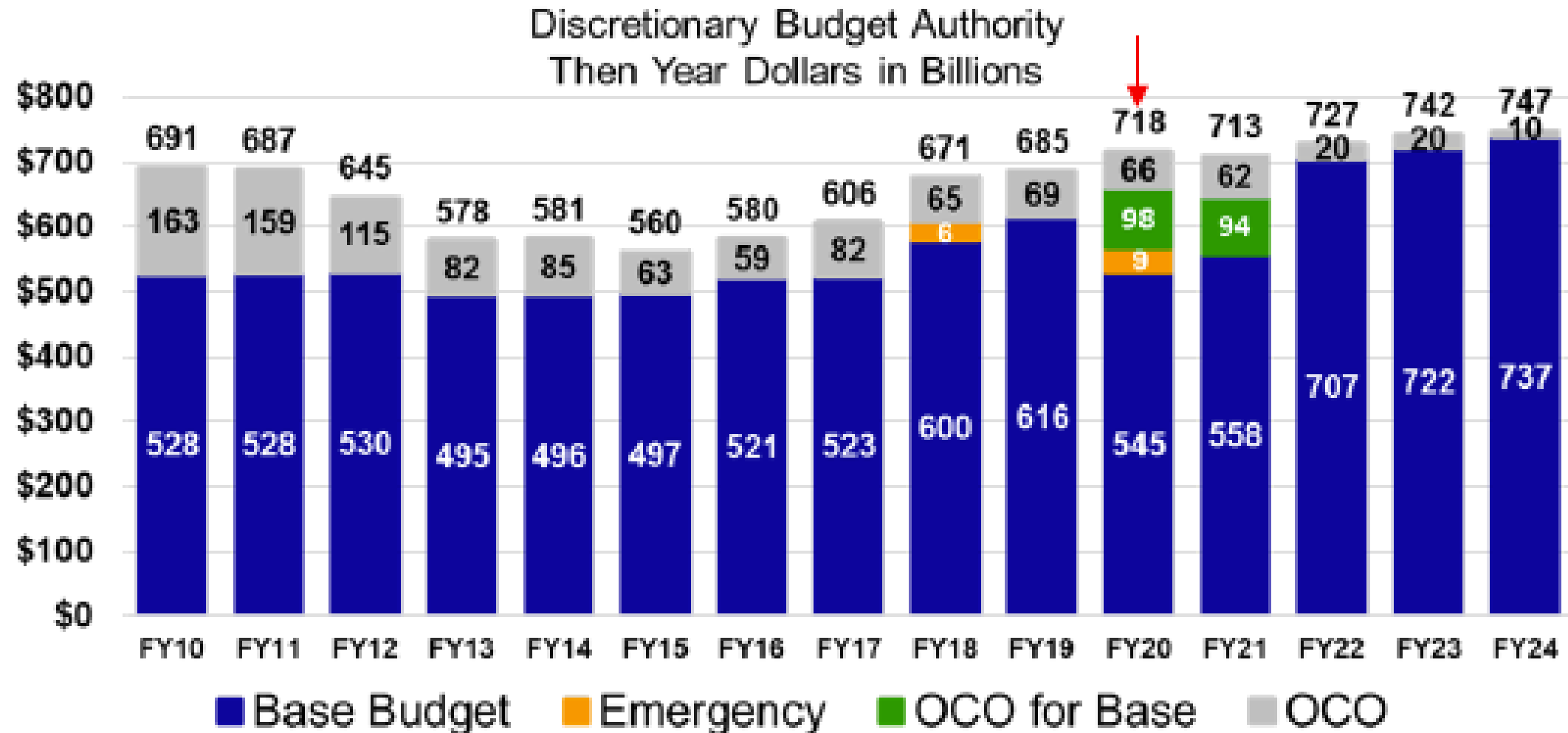
FY 2020 BUDGET REQUEST OVERVIEW

Future wars will be waged not just in the air, on the land, and at sea, but also in space and cyberspace, increasing the complexity of warfare.

The DoD Fiscal Year (FY) 2020 defense budget executes the NDS by reprioritizing resources and shifting investments to prepare for a potential future, high-end fight. This budget resources the following four focus areas to build a more lethal, agile, and innovative joint force:

1. Investing in the emerging space and cyber warfighting domains to prepare for a complex security environment.
2. Modernizing capabilities in the air, maritime, and land domains to enhance lethality.
3. Innovating more rapidly to strengthen our competitive advantage.
4. Sustaining our forces and building on our readiness gains to prepare for current operational commitments and future threats.

Figure 2. DoD Topline Funding FY 2010 – 2024



FY 2020 Budget Priorities



- Operationalize the National Defense Strategy and strengthen our competitive advantage for long-term American greatness and security
 - Investing in the emerging space and cyber warfighting domains
 - Modernizing air, maritime, and land domains
 - Innovating rapidly in key operational areas to strengthen our competitive advantage
 - Sustaining and building on readiness gains

Prioritize investments for long-term competitive advantage

REFORM FOR GREATER PERFORMANCE AND AFFORDABILITY

- Business Process Improvement – Refining actions, personnel, and timelines to increase effectiveness, efficiency, and reliability of the Department’s delivery of goods and services.
- Business System Improvement – Modernizing and eliminating legacy business systems and processes to increase the effectiveness and reduce duplication of the Department’s IT business systems and deliver information at the speed of relevance.
- Policy Reform – Changing the Department’s procedures to best empower the warfighter with the knowledge, equipment, and support systems to fight and win.
- Weapon System Acquisition – Procuring and sustaining weapon systems differently to prioritize speed of delivery, continuous adaptation, frequent modular upgrades, and cost efficiency.
- Divestments – Selling equipment or weapon systems, or strategically discontinuing legacy acquisition programs to fund purchases in support of the Department’s highest priorities.
- Better Alignment of Resources – Reprioritizing or moving finances and personnel to realign from legacy capability in support of the National Defense Strategy.

Recommendation Number	809 Panel Recommendation	Page Number in Report
50	Enact regular appropriations bills on time.	230
54	Permit the initiation of multiyear procurements under a Continuing Resolution.	241
61	Create a comprehensive public-private exchange program for Defense Department's acquisition workforce.	305
62	Update the FAR and DFARS to reduce burdens on DoD's commercial supply chain — to decrease cost, prevent delays, remove barriers, and encourage innovation available to the Military Services.	324
79	Enable enhanced use of advanced payments, at time of contract award, to small businesses.	431
81	Clarify and expand the authority to use Other Transaction agreements for production.	440
84	Direct DoD to communicate with the marketplace concerning acquisition from development of the need/requirement through contract closeout, final payment, and disposal.	456
85	Establish a Market Liaison for each acquisition activity to facilitate communications with industry.	463
90	Reorganize Title 10 of the U.S. Code to place all of the acquisition provisions in a single part, and update and move acquisition-related note sections into the reorganized acquisition part of Title 10.	500
93	Create a Center for Acquisition Innovation at the National Defense University, Eisenhower School.	516



SUMMARY OF THE SECTION 813 PANEL'S 2018 REPORT

- Changes to the DFARS to require early solicitations for IP products and services include descriptions of the government's long-term requirements for sustainment and upgrades.
- Changes to the DFARS to empower designated government contracting officials to sign non-disclosure agreements to gain data access.
- DoD develop a streamlined data rights contract clause modeled on the minimal data requirements for Other Transactions, and which enables negotiated licensing agreements for use with research institutions.
- The FY 2020 NDAA include a section authorizing a pilot program to assess different methods of intellectual property valuation, using current Major Defense Acquisition Programs.
- Changes to federal regulations establishing data rights as a proposal evaluation factor and defining guidelines for its use.
- Tasking the federal Cadre of Experts (defined under 10 USC 2322) to recommend authorization rules for the use of special IP requirements in contract clauses.