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FY2020 Defense Appropriations: Selected Issues Raised by H.R. 2740 (Div. C) and S. 2474

House and Senate negotiators trying to draft a compromise version of the FY2020 Defense Appropriations Act likely will have to deal with elements of the House-passed bill (H.R. 2740, Division C) that challenge some of the Trump Administration's signature policies. Among these are provisions to block construction of a barrier along the U.S. border with Mexico and provisions that would slow or block some parts of the planned modernization of the U.S. strategic arsenal. Those are among several aspects of the House bill cited by the Office of Management and Budget (OMB) as potential grounds for a veto in a Statement of Administration Policy issued on June 11, 2019.

The House passed its version of the FY2020 Defense Appropriations bill on June 19, 2019 as part of a Consolidated Appropriations Act (H.R. 2740, Division C). In contrast to the House, the Senate has not yet passed any

appropriations bills. The Senate Appropriations Committee reported its version of the FY2020 Defense Appropriations Act (S. 2474) on September 12, 2019.

One potential obstacle to agreement may have been set aside on August 2, 2019, with enactment of the Bipartisan Budget Act of 2019 (P.L. 116-37), which set a new statutory cap on discretionary defense spending for base budget activities in FY2020. The Department of Defense (DOD) base budget funds routine activities not associated with ongoing military deployments, which are designated as Overseas Contingency Operations (OCO). In order to comply with the lower limits on base budget defense spending that were in place at the time the FY2020 budget was released, the Administration had designated as OCO funding \$98 billion intended to fund base budget activities, seeking to exempt those funds from the spending cap.

Table 1. FY2020 Defense Appropriations Act (H.R. 2968, S. 2474)
(amounts in millions of dollars of discretionary budget authority)

Appropriations Title	FY2020 Request	FY2020 Request adjusted (see table note)	House passed H.R. 2968 (incorporated into H.R. 2740)	Senate Committee reported S. 2474
Military Personnel	143,476.5	143,476.5	141,621.6	142,983.8
Operation and Maintenance	123,944.6	207,661.7	206,673.5	200,610.1
Procurement	118,923.1	132,378.1	130,544.8	132,837.2
R&D	102,647.5	103,395.5	100,455.4	104,282.1
Revolving and Management\ Funds	1,426.2	1,426.2	1,426.2	1,580.2
Defense Health Program and other DOD Programs	35,147.1	35,147.1	35,641.8	35,728.7
Related Agencies	1,072.0	1,072.0	1,072.0	1,053.4
General provisions			-2,698.2	-3,904.3
Subtotal: Base Budget	526,637.0	624,557.1	614,737.1	615,171.2
Overseas Contingency Operations (OCO)	163,980.5	66,060.5	68,079.0	70,665.0
Disaster Relief				1,710.2
Grand Total	690,617.6	690,617.6	682,816.2	687,546.5

Sources: H.Rept. 116-84, House Appropriations Committee report to accompany H.R. 2968 and S.Rept. 116-103, Senate Appropriations Committee report to accompany S. 2474.

Notes: In order to comply with the cap on discretionary appropriations for the FY2020 DOD base budget, the Trump Administration included in its FY2020 DOD request for Overseas Contingency Operations (OCO), \$98.0 billion for base budget activities. In Table 1, the "FY2020 Request" column presents the Administration's budget request as submitted to Congress. However, the Armed Services and Appropriations Committees of both the House and Senate chose, instead, to designate the funds in question as part of the DOD base budget. To facilitate comparisons between the Administration request and the actions of the House and the Senate committee, the "FY2020 Request Adjusted" column presents the Administration's request with funds intended for the base budget included in the appropriate base budget title.

The House and Senate Appropriations Committees did not adopt this approach and consolidated all funds requested for base budget purposes as part of the base budget appropriations. The House and Senate bills each are generally consistent with the increased defense spending caps enacted in August. (**Table 1**)

Border Barrier Funding Pushback

Unlike the Senate bill, the House bill (H.R. 2740) includes several provisions that would generally restrict authorities the President could use to transfer funds appropriated to DOD from their originally intended use to border barrier construction:

- Language in Title VI, which funds DOD's Drug Interdiction and Counter-Drug efforts, would prohibit the use of those funds for construction of border fences, which is one of the activities specifically authorized for the program, by law;
- Section 8127 would bar the use for border barrier construction of any funds appropriated to DOD;
- Section 8005 would reduce from \$4.0 billion (in FY2019) to \$1.0 billion in FY2020 the total amount appropriated for base budget activities that could be transferred to other purposes; and
- Section 9002 would reduce from \$2.0 billion (in FY2019) to \$500 million in FY2020 the total amount of OCO-designated funding that could be transferred.

Nuclear Triad Modernization

Both versions of the defense bill would approve (with some relatively minor differences) the amounts requested for three major components of the Administration's strategic force modernization plan:

- For the B-21 bomber, the House bill would provide the \$3.0 billion requested and the Senate bill would provide \$2.9 billion, cutting \$100 million for a classified reason;
- For the Long-Range Stand-Off (LRSO) weapon, a bomber-launched cruise missile, both bills would provide the requested \$712.5 million; and
- For the *Columbia*-class of ballistic missile-launching submarines, the House bill would provide \$2.1 billion and the Senate bill \$2.4 billion, bracketing the \$2.2 billion request.

However, the House and Senate bills would take divergent paths on two other components of the nuclear arms plan:

- For development of the Ground-Based Strategic Deterrent (GBSD), a new ICBM to replace the 1970s-vintage Minuteman, the House bill would cut \$108.7 million from the \$570.4 million requested, while the Senate bill would add \$87.1 million; and
- Unlike the Senate bill, the House bill would deny the request for \$19.6 million to equip some Trident II sub-

launched missiles with relatively low-yield nuclear warheads intended to deter an adversary's threat to make limited use of nuclear weapons in a regional conflict.

Aerial Combat

The House and Senate bills each would fund more F-35 fighters than the 78 requested (for \$9.1 billion). The House bill would add \$1.04 billion for 12 additional aircraft while making other adjustments to the request that would bring the total provided for the program to \$9.96 billion. The Senate bill would add \$1.71 billion for 18 additional F-35s while making other adjustments to the program that would bring the total to \$10.63 billion.

As requested, both bills would fund (with relatively minor reductions) the procurement of additional fighters of earlier vintages to supplement the stealthy F-35s, including 24 F/A-18s (\$1.8 billion) and eight F-15s (\$1.0 billion). The Senate bill would fund two of the F-15s (\$422.0 million) in the Air Force's research and development account.

The House bill would cut \$500.0 million from the \$1.0 billion requested for the Air Force's Next Generation Air Dominance (NGAD) program to develop a networked system of manned and unmanned aircraft for future air combat. According to the House Appropriations Committee, the basis for the reduction is classified. According to the OMB statement on the House bill, that cut would have a "severe" impact on DOD's ability to field aerial combat capabilities "that will be needed in the 2030 timeframe to meet the growing challenges of peer adversaries."

CRS Products

CRS Report R45937, *Military Funding for Southwest Border Barriers*, by Christopher T. Mann.

CRS In Focus IF11243, *Defense Primer: DOD Transfer and Reprogramming Authorities*, by Aaron D. Walenga and Brendan W. McGarry.

CRS Report RL33640, *U.S. Strategic Nuclear Forces: Background, Developments, and Issues*, by Amy F. Woolf.

CRS In Focus IF11143, *A Low-Yield, Submarine-Launched Nuclear Warhead: Overview of the Expert Debate*, by Amy F. Woolf.

Other Resources

Department of Defense, *Nuclear Posture Review*, Washington, DC, February 2, 2018.

Office of Management and Budget, *Statement of Administration Policy: H.R. 2740*, June 11, 2019.

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