

# What to Expect in the House Defense Authorization Bill

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The House will soon consider the FY 2015 National Defense Authorization Act (NDAA). This memo provides a preview of the NDAA floor debate and highlights both good and bad elements in the Committee bill.

**The Good:** Provides a robust level of military spending—less than wartime peaks but still more than President Reagan’s highest defense budget in real terms. And, it fully funds cyber capabilities, reduces funding for troubled programs like the Littoral Combat Ship (LCS), and finds efficiencies in DoD’s bureaucracy and the Overseas Contingency Operations (OCO) “slush fund.”

**The Bad:** Dodged the President’s tough cost-cutting measures in favor of political expediency on issues like personnel costs, restructuring Army aviation, and implementing a new round of base closures.

Members should expect the floor debate to include issues like repealing the 2001 Authorization for Use of Military Force, reforming the process for prosecuting sexual assaults in the military, and authorizing military force against the perpetrators of the 2012 attacks in Benghazi.

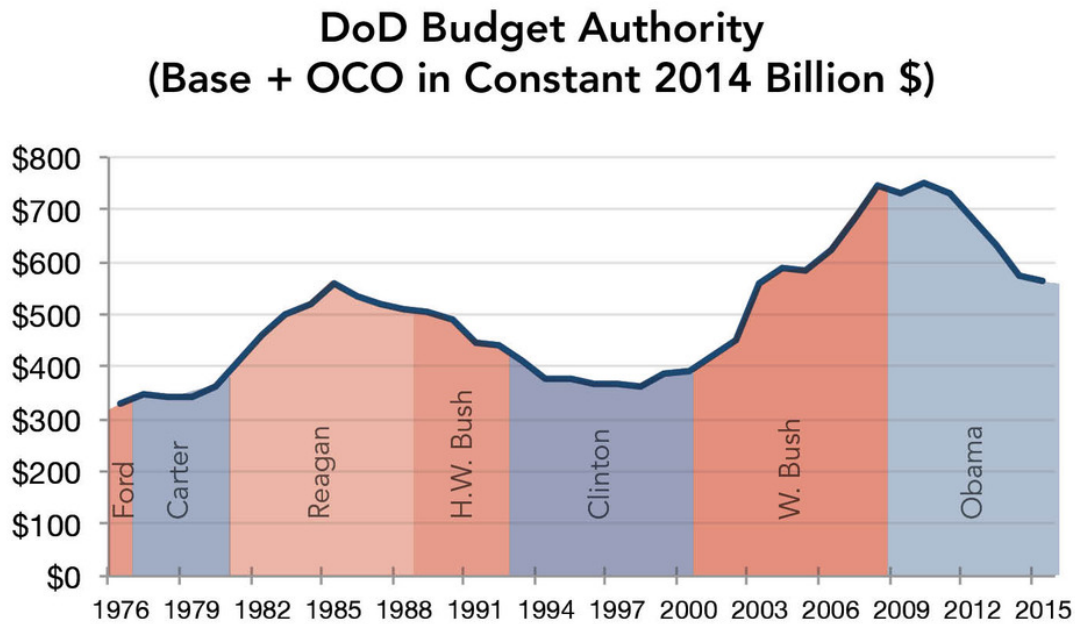
## The Good: funding the Future

### Overall Funding “Consistent with the President’s Budget”

Despite the political rhetoric, there is broad consensus in both Parties around the vast majority of the defense budget. The HASC bill provides the same level of funding as the President’s budget and the Bipartisan Budget Act of 2013,<sup>1</sup> which would avoid triggering sequestration. Like the President’s budget, the NDAA funds the DoD’s base budget at \$495.8 billion and provides an additional \$79.4 billion for OCO, for a grand total of \$575.2 billion in fiscal year 2015 DoD funding.<sup>2</sup>

**“Congress must help DoD get more defense for the dollar.”**

At these levels, the bill provides for robust military spending that would eclipse even President Reagan’s largest defense budget in real terms.



Source: United States, Office of Management and Budget

## Reduced Funding for Troubled Programs

The NDAA reduces funding for troubled and expensive programs like the Littoral Combat Ship (LCS). While the LCS was designed to combat three distinct threats, problems in development have placed the program under increasing scrutiny. Thus, the NDAA takes the prudent measures of cutting one LCS from the 2015 budget and adopting Rep. Jackie Speier’s (D-CA) amendment that withholds all funding for LCS mission modules until the Pentagon can certify that key testing, performance, and schedule requirements have been met.<sup>4</sup> Both measures are essential to increase accountability in this troubled program.

**“Against policy and common sense, they continue to buy increments of LCS before defining requirements and cost, schedule and performance goals.”**

## Investing in Next-Generation Programs

The HASC bill wisely funds all of the President’s cybersecurity initiatives, including building the Cyber Command Joint Operations Center. HASC even added \$80 million for Cyber Weapon System Ops and the Cyberspace Defense Weapon System.<sup>6</sup>

Similarly, HASC largely agreed with the President’s request to increase Special Operations funding, authorizing \$4.7 billion, while reducing funds for service contracts, not servicemembers.<sup>7</sup>

## Preventing a Slush Fund

The HASC bill includes OCO—which funds military missions in Afghanistan and elsewhere—as a placeholder for next year’s Afghanistan operations. This is despite not knowing if the U.S. will maintain a presence there after the end of the year. Such vagaries have led some to worry OCO is a slush fund for DoD spending on items unrelated to the conflict in Afghanistan.<sup>8</sup> Therefore, the NDAA would require greater transparency of OCO expenditures to guard against such misuse of funds.<sup>9</sup>

**“The Chairman mandates a report on enduring requirements currently funded through OCO.”**

— HASC NDAA Chairman’s Mark May 5, 2013<sup>10</sup>

## Reducing the DoD “Back Office”

The Pentagon bureaucracy has grown enormously since 2001. In just the last five years, the cost of personnel at the combatant commands has nearly doubled, according to the Government Accountability Office (GAO).<sup>11</sup> The excessive costs of this “back office” mean there is less money available to train and equip troops.<sup>12</sup>

The House NDAA looks to combat this problem by requiring the Secretary of Defense to “develop a plan to combine the back office functions of two or more combatant commands,”<sup>13</sup> and it asks the “GAO to assess DoD’s headquarter reduction efforts.”<sup>14</sup>

## The Bad: Dodging Tough Choices

### Allowing Personnel Cost Growth

The cost of military healthcare has more than doubled since 2001,<sup>15</sup> and the overall cost of servicemembers today is twice what it was in 2001. Personnel costs now consume about half of the DoD budget, and it's getting worse every year.

## **“Soldiers cost double today what they cost in 2001.”**

— General Ray Odierno, May 6, 2014<sup>16</sup>

Secretary of Defense Chuck Hagel succinctly described the problem: “If we don’t make some tough choices here along the way...then we’ll have a military that is heavily compensated but probably a force that is not capable and not ready.”<sup>17</sup> The President, the Secretary and the military chiefs made those tough choices and proposed savings in three personnel areas:<sup>18</sup>

- Healthcare: Modest increases to deductibles and co-pays;
- Compensation: a 1% increase in military pay;
- Commissaries: Reducing the subsidy to commissaries by \$1 billion over three years.

Unfortunately, HASC did the opposite, rejecting any changes to military healthcare and commissary subsidies and increasing military pay by 1.8%.

### **Blocking Army Aviation Restructuring**

The Army proposed to consolidate attack helicopters in the active Army and provide the Army National Guard with more Black Hawk helicopters that are better suited for Guard missions.<sup>19</sup> But HASC agreed to an amendment by Rep. Joe Wilson (R-SC) that blocked the Army’s plan.

**“The reality is the funding in the future will not allow us to have everything we may want. These cuts will still occur, even if we delay our decisions or fail to address the issue as the total Army.”**

— General Ray Odierno, April 8, 2014<sup>20</sup>

While this reversal might be politically expedient for Members looking to curry favor with members

of the Guard, it will nevertheless cost the Army \$1 billion per year according to General Odierno.<sup>21</sup> The Army desperately needs this money to ensure soldiers are properly trained and equipped. It also puts military assets in the wrong places—the Guard does not need heavily armed Apaches for its main missions like disaster response.

## Base Realignment and Closure (BRAC)

The Administration once again requested authorization to begin another round of base closings, known as BRAC. HASC has raised concerns about past BRACs and asserted that “BRAC rounds do not yield true savings.”<sup>22</sup> But GAO found that even the 2005 BRAC round, which raised concerns about process and cost savings, saves the DoD \$3.8 billion every year.<sup>23</sup>

**“We cannot afford to waste money on infrastructure that essentially taxes the warfighters for the readiness funds they need.”**

— John Conger, Acting Deputy Undersecretary of Defense for Installations and Environment, May 12, 2014<sup>24</sup>

## The Floor debate

During the floor debate, the House will also consider a number of amendments on broader policy concerns.

## Guantanamo Prisoner Transfers

Even though civilian courts hand down tougher sentences on terrorists than military commissions,<sup>25</sup> the HASC NDAA includes a provision (as it has in previous years) to block any prisoner transfers from the detention center at Guantanamo Bay. HASC also requests \$93 million to expand the detention center at Guantanamo Bay,<sup>26</sup> even though President Obama has stated he wants to close the facility.

The detention center has cost \$4.7 billion to operate, with each prisoner costing U.S. taxpayers \$2.7 million every year, according to Pentagon estimates.<sup>27</sup> Using civilian courts in lieu of indefinite detention could bring terrorists to justice faster, and at a lower cost to taxpayers.

## Modifying the 2001 AUMF

Members may propose amendments that would repeal the 2001 Authorization for Use of Military Force. That language, passed in the days after the attacks on 9/11, has given presidents broad authority to conduct military action against a range of terrorist targets. As the U.S. winds down its combat mission in Afghanistan many, like Rep. Adam Schiff (D-CA), have questioned whether that broad authorization is still necessary.<sup>28</sup> Repealing the existing AUMF would reassert Congress' role in determining where and when the nation should go to war and spur a debate over whether new authorities are necessary to continue the nation's counterterrorism efforts.<sup>29</sup>

Rep. Duncan Hunter (R-CA) will probably offer his recently proposed H.R. 4599 which would amend the 2001 AUMF to allow the president to use force against those responsible for the attack against American personnel in Benghazi, Libya in September 2012. This comes in response to concerns that the current AUMF would not allow U.S. forces to kill the militants responsible for the 2012 attack, since they were not part of al Qaeda, but of another group, Ansar al-Sharia.<sup>30</sup> The legislation would raise serious concerns about using war powers to target specific individuals and raise concerns if other nations were to do the same.

## Conclusion

Even with these amendments, this year's NDAA is one of the least contentious in recent memory. That is welcome news, but there is still a vital role for all House Members to play in making the bill—and the military—stronger.

# Endnotes

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