

REPORT Published May 16, 2014 · 8 minute read

What to Expect in the House Defense Authorization Bill

Ben Freeman

Former Deputy Director of the National Security Program

Mieke Eoyang

Vice President for the National Security Program

y <u>@MiekeEoyang</u>

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, ¹ 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. ²

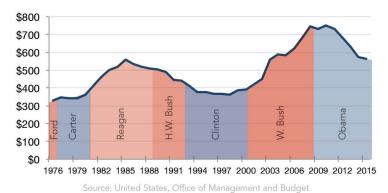
Congress must help DoD get more defense for the dollar.



— HASC NDAA Chairman's Mark May 5, 2013 3

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

DoD Budget Authority
(Base + OCO in Constant 2014 Billion \$)



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. ⁴ 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.



- Rep. Tammy Duckworth (D-IL), May 7, 2014 ⁵

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. ⁶

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. ⁷

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. ⁸ Therefore, the NDAA would require greater transparency of OCO expenditures to guard against such misuse of funds. ⁹

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



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). ¹¹ The excessive costs of this "back office" mean there is less money available to train and equip troops. ¹²

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," ¹³ and it asks the "GAO to assess DoD's headquarter reduction efforts." ¹⁴

The Bad: Dodging Tough Choices

Allowing Personnel Cost Growth

The cost of military healthcare has more than doubled since 2001, ¹⁵ 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 16

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." ¹⁷ The President, the Secretary and the military chiefs made those tough choices and proposed savings in three personnel areas: ¹⁸

- 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. ¹⁹ 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 20

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. ²¹ 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." ²² 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. ²³

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 24

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, ²⁵ 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, ²⁶ 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. ²⁷ 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. ²⁸ 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. ²⁹

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. ³⁰ 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.

END NOTES

United States, Congress, "Bipartisan Budget Agreement of 2013," 112th Congress, 1st Session, December 18, 2013. Accessed May 8, 2014. Available at: http://www.gpo.gov/fdsys/pkg/BILLS-113hjres59enr/pdf/BILLS-113hjres59enr.pdf.

- 2. United States, House of Representatives, Armed Services Committee, "Fact Sheet: Highlights of the Chairman's Mark," Chairman Buck McKeon, 113th Congress, 2nd Session, May 5, 2014, Accessed May 5, 2014. Available at: http://docs.house.gov/meetings/AS/AS00/20140507/102146/HMKP-113-AS00-20140507-SD001-U2.pdf.
- **3.** <u>Ibid</u>.
- **4.** John T. Bennett, "HASC Votes to Limit LCS Mission Mods Funding, Keep Cruisers," *Defense News*, May 7, 2014.

 Accessed May 8, 2014. Available at:

 http://www.defensenews.com/article/20140507/DEFREG

 02/305070046/HASC-Votes-Limit-LCS-Mission-Mods-Funding-Keep-Cruisers.
- "Duckworth Demands Accountability for LCS Program in NDAA Markup," Press Release, The Office of Representative Tammy Duckworth. Accessed May 13, 2014. Available at: http://duckworth-house.gov/media-center/press-releases/duckworth-demands-accountability-for-lcs-program-in-ndaa-markup.
- **6.** United States, House of Representatives, Armed Services Committee, "H.R. 4435—FY 15 National Defense Authorization Bill: Chairman's Mark," 113th Congress, 2nd Session, May 5, 2014. Accessed May 5, 2014. Available at: http://docs.house.gov/meetings/AS/AS00/20140507/102146/BILLS-113HR4435ih.pdf
- **7.** <u>Ibid</u>.

- **8.** William Hartung, "Get Rid of the Pentagon's Slush Fund," The Huffington Post, March 31, 2014. Accessed May 8, 2014. Available at:

 http://www.huffingtonpost.com/william-hartung/get-rid-of-the-pentagons-fund-b-5062948.html.
- **9.** "H.R. 4435—FY 15 National Defense Authorization Bill: Chairman's Mark."
- **10.** "Fact Sheet: Highlights of the Chairman's Mark."
- United States, Government Accountability Office, "DOD Needs to Periodically Review and Improve Visibility Of Combatant Commands' Resources," Report, May 2013. Accessed June 14, 2013. Available at: http://www.gao.gov/products/GAO-13-293.
- **12.** For more information on this problem see our report on "Star Creep": Ben Freeman, "Star Creep: The Costs of a Top-Heavy Military," Idea Brief, Third Way, June 2013. Accessed May 8, 2014. Available at: http://www.thirdway.org/publications/713.
- **13.** "<u>H.R. 4435—FY 15 National Defense Authorization</u>
 Bill: Chairman'S Mark.â€□

Â

14. "<u>Fact Sheet: Highlights of the Chairman's</u>

Mark.â€∏Â

Â

- **15.** United States, Congressional Budget Office, "Options for Reducing the Deficit: 2014 to 2023, Modify TRICARE Enrollment Fees and Cost Sharing for Working-Age Military Retirees," November 13, 2013. Accessed on May 8, 2014. Available at: http://www.cbo.gov/budget-options/2013/44.900.
- **16.** James Kitfield, "Odierno: Ukraine Shows Us 'You Never Know What's Around the Corner," Defense One, May 6, 2014. Accessed May 6, 2014. Available at: http://www.defenseone.com/ideas/2014/05/odierno-ukraine-shows-us-you-never-know-whats-around-corner/83914.
- **17.** Jim Garamone, "DoD Must Control Rising Personnel Costs, Hagel Tells CNOs," Armed Forces Press Service, November 6, 2013. Accessed May 8, 2014. Available at: http://www.defense.gov/news/newsarticle.aspx? id=121068.
- **18.** Jim Garamone, "DoD Takes Holistic View of Slowing Military Compensation Growth," American Forces Press Service, February 24, 2014. Accessed May 8, 2014. Available at:

 http://www.defense.gov/news/newsarticle.aspx?

 id=121701.
- 19. Brendan McGarry, "Army Opposes Calls for Aviation Commission," DoD Buzz, April 8, 2014. Accessed May 8, 2014. Available at:

 http://www.dodbuzz.com/2014/04/08/army-opposes-calls-for-aviation-commission/.
- **20.** <u>Ibid</u>.

21. <u>Ibid</u>.

Â

- **22.** "Fact Sheet: Highlights of the Chairman's Mark."
- **23.** United States, Government Accountability Office, "Military Base Realignments and Closures: Updated Costs and Savings Estimates from BRAC 2005," Report, June 29, 2012. Accessed May 8, 2014. Available at: http://www.gao.gov/products/GAO-12-709R.
- **24.** Jim Garamone, "DOD Needs New Base Closure Round, Senior Official Says," American Forces Press Service, May 12, 2014. Accessed May 13, 2014. Available at: http://www.defense.gov/news/newsarticle.aspx? id=122228.
- **25.** Mieke Eoyang and Aki Peritz, "Making the Case: Why We Should Try Terrorists in Federal Courts," Idea Brief, Third Way, November 2013. Accessed May 8, 2014. Available at: http://www.thirdway.org/publications/765.
- **26.** Carol Rosenberg, "House Committee Earmarks \$69
 Million for New Secret Prison," *The Miami Herald*, May 8,
 2014. Accessed May 8, 2014. Available at:
 http://www.miamiherald.com/2014/05/08/4105667/cong
 ress-considers-69-million.html.
- **27.** Jeremy Herb, "DoD: Gitmo Costs in 2013 to Top \$450M," *The Hill*, July 24, 2013. Accessed, May 8, 2014. Available at: http://thehill.com/policy/defense/313239-pentagon-guantanamo-2013-costs-more-than-450-million-.

28. Barbara Lee, "AUMF Was Wrong in 2001, and it's Wrong Now," U.S. News, Debate Club, June 14, 2013. Accessed May 12, 2014. Available at:

http://www.usnews.com/debate-club/should-the-authorization-for-use-of-military-force-be-repealed/barbara-lee-aumf-was-wrong-in-2001-and-its-wrong-now.

29. Mieke Eoyang and Chris Preble, "How to end the war on terrorism properly," CNN, June 6, 2013. Accessed May 8, 2014. Available at:

http://globalpublicsquare.blogs.cnn.com/2013/06/10/how-to-end-the-war-on-terrorism-properly/.

30.

Dan Lamothe, "New Legislation Would Authorize Military To Find and Kill Benghazi Attackers," Foreign Policy, April 30, 2014. Accessed May 12, 2014. Available at: http://complex.foreignpolicy.com/posts/2014/04/30/ne http://complex.foreignpolicy.com/posts/2014/04/30/ne http://complex.foreignpolicy.com/posts/2014/04/30/ne http://complex.foreignpolicy.com/posts/2014/04/30/ne https://complex.foreignpolicy.com/posts/2014/04/30/ne <a href="https://complex.foreignpolicy.com/posts/2014/04/30/ne