

DoD Releases Fiscal Year 2019 Budget Proposal

“To address the scope and pace of our competitors’ and adversaries’ ambitions and capabilities, we must invest in modernization of key capabilities through sustained, predictable budgets. Our backlog of deferred readiness, procurement, and modernization requirements has grown in the last decade and a half and can no longer be ignored. We will make targeted, disciplined increases in personnel and platforms to meet key capability and capacity needs. The 2018 National Defense Strategy underpins our planned fiscal year 2019-2023 budgets, accelerating our modernization programs and devoting additional resources in a sustained effort to solidify our competitive advantage.” - *Summary of the 2018 National Defense Strategy of the United States of America*

Today President Donald J. Trump sent Congress a proposed Fiscal Year (FY) 2019 budget request of \$716 billion for national security, \$686 billion of which is for the Department of Defense. The National Defense Strategy, which aligns with the National Security Strategy, connects strategy to the FY 2019 budget priorities, enabling the Department to compete, deter, and win. This establishes a foundation for rebuilding the U.S. military into a more capable, lethal, and ready Joint Force. The objectives of the Department are “to be prepared to defend the homeland, remain the preeminent military power in the world, ensure the balances of power remain in our favor, and advance an international order that is most conducive to our security and prosperity.” The FY 2019 budget has been developed to meet these specific objectives.

Secretary Mattis recently said, “In a world awash in change, with increasing threats, there is no room for complacency. Failure to implement or fund the 2018 National Defense Strategy will leave us with a force that could dominate the last war, yet be irrelevant to tomorrow's security. For too long we have asked our military to carry on stoically with a success-at-any-cost attitude.” We are grateful to Congress and the American people for the recently-enacted Bipartisan Budget Act of 2018, which lifts the caps so our military can be resourced at a funding level commensurate with our mission.

The National Security Strategy states that the United States “must reverse recent decisions to reduce the size of the Joint Force and grow the force while modernizing and ensuring readiness.” The FY 2019 budget **increases end strength by 25,900** (24,100 in the active components and 1,800 in the reserve components) over the FY 2018 budget. Each military service has a distinctive

readiness recovery plan and the increases are targeted to advance these plans to improve readiness and increase lethality.

As the National Defense Strategy notes, “investments will prioritize ground, air, sea and space forces that can deploy, survive, operate, maneuver, and regenerate in all domains while under attack.” This budget’s **major warfighting investments** include:

Aircraft

- 77 F-35 Joint Strike Fighters - \$10.7 billion
- 15 KC-46 Tanker Replacements - \$3.0 billion
- 24 F/A-18s - \$2.0 billion
- 60 AH-64E Attack Helicopters - \$1.3 billion
- 6 VH-92 Presidential Helicopters - \$0.9 billion
- 10 P-8A Aircraft - \$2.2 billion
- 8 CH-53K King Stallion - \$1.6 billion

Shipbuilding

- 2 Virginia Class Submarines - \$7.4 billion
- 3 DDG-51 Arleigh Burke Destroyers - \$6.0 billion
- 1 Littoral Combat Ship - \$1.3 billion
- CVN-78 Class Aircraft Carrier - \$1.8 billion
- 2 Fleet Replenishment Oilers (T-AO) - \$1.1 billion
- 1 Expeditionary Sea Base - \$0.7 billion

Ground Systems

- 5,113 Joint Light Tactical Vehicles - \$2.0 billion
- 135 M-1 Abrams Tank Modifications - \$2.7 billion
- 30 Amphibious Combat Vehicles - \$0.3 billion
- 197 Armored Multi-Purpose Vehicles - \$0.8 billion

The National Defense Strategy also notes the importance of prioritizing “investments in resilience, reconstitution, and operations to assure our space capabilities.” Our **space investments** include:

- 5 Evolved Expendable Launch Vehicles - \$2.0 billion
- Global Positioning System - \$1.5 billion

- Space Based Infrared System - \$0.8 billion

Highlighting the importance of **missile defense programs**, the National Defense Strategy calls for investments that will “focus on layered missile defenses and disruptive capabilities for both theater missile threats and North Korean ballistic missile threats.” Those investments for FY 2019 include:

- 43 AEGIS Ballistic Missile Defense (SM-3) - \$1.7 billion
- Ground Based Midcourse Defense - \$2.1 billion
- 82 THAAD Ballistic Missile Defense - \$1.1 billion
- 240 Patriot Advanced Capability (PAC-3) Missile Segment Enhancements - \$1.1 billion

In addition, the National Defense Strategy calls for a Joint Force that “must be able to strike diverse targets inside adversary air and missile defense networks to destroy mobile power-projection platforms.” To help accomplish that goal, the FY 2019 budget includes the following **preferred munitions**:

- 43,594 Joint Direct Attack Munitions - \$1.2 billion
- 9,733 Guided Multiple Launch Rocket System (GMLRS) - \$1.2 billion
- 6,826 Small Diameter Bomb I - \$0.3 billion
- 1,260 Small Diameter Bomb II - \$0.4 billion
- 7,045 Hellfire Missiles - \$0.6 billion
- 360 Joint Air-to-Surface Standoff Missile-Extended Range - \$0.6 billion
- 1,121 Joint Air-to-Ground Missiles - \$0.3 billion

The budget implements the commitment in the National Defense Strategy to “modernize the nuclear triad – including nuclear command, control, and communications, and supporting infrastructure.” FY 2019 investments **in nuclear deterrence** include:

- B-21 Long Range Strike Bomber - \$2.3 billion
- Columbia Class Submarine - \$3.7 billion
- Long-Range Stand-Off Missile - \$0.6 billion
- Ground Based Strategic Deterrent - \$0.3 billion

President Trump’s National Security Strategy articulates that “a growing and innovative economy allows the United States to maintain the world’s most powerful military and protect our homeland.” This budget request **invests \$13.7 billion in science and technology to further innovation** and new and advanced capabilities including hypersonics technology, cyber space, space, directed energy, electronic warfare, unmanned systems and artificial intelligence.

The FY 2019 budget **supports our service members and their families**, providing a competitive compensation package that reflects the unique demands and sacrifices of military service. As the National Defense Strategy highlights, “The creativity and talent of the American warfighter is our greatest enduring strength, and one we do not take for granted.” The budget:

- Provides a 2.6% military pay raise – the largest increase in 9 years
- Includes NO compensation cost share reforms in FY 2019. Instead, the Department is focusing on internal business process improvements and structural changes to find greater efficiencies, such as modernizing our military health care systems into an integrated system
- Sustains family support initiatives by investing more than \$8 billion in:
 - Spousal/community support
 - Child care for approximately 1 million military children
 - DoD Dependent Schools, which are educating over 78,000 students
 - Commissary operations at 237 stores
 - Counseling support for service members and their families

This budget **increases facilities investment** to \$10.5 billion, which is 7% above the FY 2018 base budget request. It concentrates on ensuring the basing infrastructure is sized to increase force lethality and minimizing the cost of maintaining unneeded capacity. The budget balances investment in infrastructure across DoD priorities and includes:

- Operational and training facilities (including airfield improvements, training ranges,) to increase readiness
- Maintenance and production facilities (maintenance hangars, missile assembly building, and high explosives magazine) to improve readiness
- Recapitalization of facilities in poor and failing condition
- Improved Quality-of-Life for service members and their families (including schools, barracks, and medical facilities)

The FY 2019 budget continues to implement the Administration's commitment to **reform DoD business practices for greater performance and affordability**. Highlighting this commitment, the National Defense Strategy cautions that “we must transition to a culture of performance where results and accountability matter.” **Secretary Mattis has directed Deputy Secretary Shanahan to reform DoD's business** operations and reapply those savings to improve readiness and to increase the lethality and capacity of the military. The DoD is focused on spending wisely by using shared, centralized services with the goal of using best practices to maximize effectiveness in areas including:

- Information Technology
- Real Property
- Financial Management
- Logistics and Supply Chain
- Testing and Evaluation
- Healthcare
- Human Resources
- Contracted Goods & Services
- Community Services

The FY 2019 Budget also reflects continued savings from ongoing reforms such as defense travel modernization and the 25% management headquarters reduction. Recent DoD reforms include:

- Reorganizing the Under Secretary of Defense for Acquisition, Technology and Logistics into two new Under Secretaries of Defense: one focused on Research and Engineering to advance technology and innovation, and one focused on Acquisition and Sustainment to deliver and sustain timely, cost-effective capabilities for the armed forces and DoD
- Appointing a Chief Management Officer to manage business operations
- Elevating Cyber Command

The **OCO budget** for FY 2019 supports Operation FREEDOM'S SENTINEL in Afghanistan, and Operation INHERENT RESOLVE in Iraq and Syria.

The entire **budget proposal and additional material** are available at:
<http://comptroller.defense.gov/budget-materials>