

US Department Of Defense FISCAL YEAR 2020 BUDGET REQUEST

Ensuring our competitive advantage to compete, deter, and win in an era of great power competition.



**Office of the Under Secretary of Defense (Comptroller) / CFO
March 2019**

A New Strategy

- As the Cold War ended the United States enjoyed a period of military dominance
- Since then, the United States has experienced damaging trends in readiness caused by budget instability, the decades-long campaign against violent extremism, and an unfocused strategic vision
- China and Russia began developing military capabilities to prepare for future, high-end conflict and to undermine U.S. influence
- DoD developed a new strategy to change course and drive our decisions



The United States faces a fundamentally different challenge

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

Restoring and Rebuilding our Military

- **FY 2017**
 - Additional appropriations for near-term readiness and “must-pay” bills
- **FY 2018**
 - Fill holes in the military forces caused by contingency operations and budgetary instability
- **FY 2019**
 - Making key down payments on lethality, turning to great power competition and continuing full spectrum readiness
- **FY 2020**
 - Prioritizes innovation and modernization to strengthen competitive advantage across all warfighting domains

FY 2020 budget is a major milestone toward a more lethal, agile, and innovative Joint Force

FY 2020 National Defense Budget Request

	(\$ in Billions)
• DoD – Total	\$718
– Base	545
– Overseas Contingency Operations (OCO) for Base	98
– Overseas Contingency Operations (OCO)	66
– Emergency	9
• Department of Energy & Other Agencies	<u>\$32</u>
• National Defense – Total	\$750
• \$718 Billion, 4.9 percent (2.8 percent real growth) over DoD’s FY 2019 Enacted	
• Budget request complies with the Budget Control Act while supporting the National Defense Strategy priorities	

Budget operationalizes the National Defense Strategy

FY 2020 Budget Priorities

Enhance
Competitiveness
Through Emerging
Warfighting Domains

Compete

Modernize in Air,
Maritime, and Land
Domains

Sustain and Build on
Readiness Gains

Deter

Develop and Field
Innovative Technologies

Win

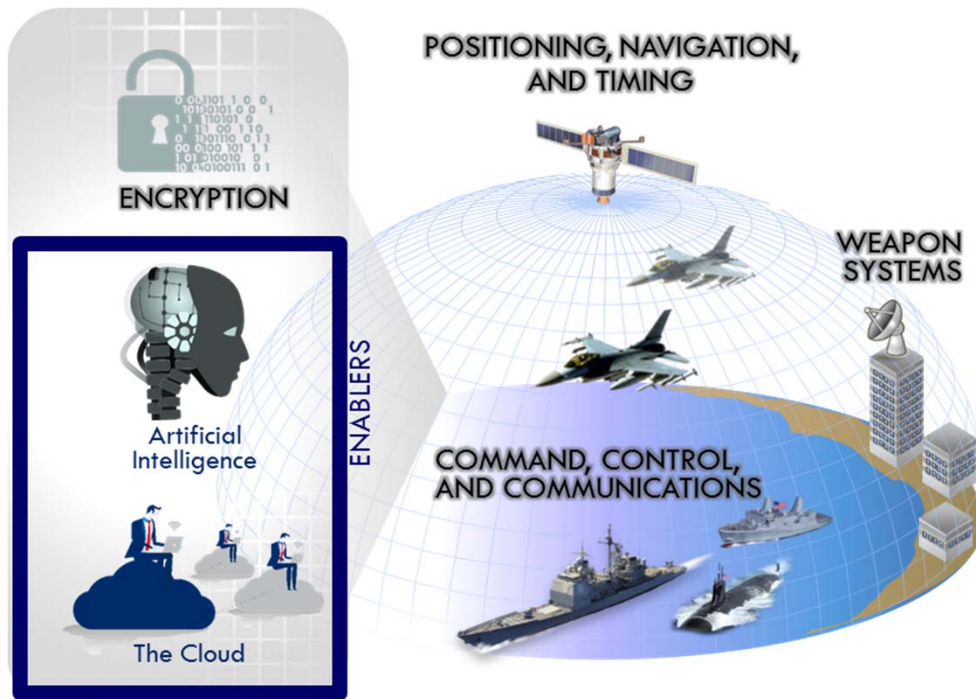
- Operationalize the National Defense Strategy and strengthen our competitive advantage for long-term American greatness and security
 - Investing in the emerging space and cyber warfighting domains
 - Modernizing air, maritime, and land domains
 - Innovating rapidly in key operational areas to strengthen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

Prioritize investments for long-term competitive advantage

Enhance Competitiveness Through Emerging Warfighting Domains

Space Domain: \$14.1 Billion

- Resources the new U.S. Space Force and associated organizations
- Improves satellite communications capabilities; space-based warning, and space launch capacity



Cyber Domain: \$9.6 Billion

- Offensive and defensive cyberspace operations; resilient DoD networks, systems; modern multi-cloud environment

Prepare for a complex, unpredictable, and multi-domain security environment

Modernize in Air, Maritime, Land Domains

Air Domain: \$57.7 Billion

- 5th Generation aircraft and extended range missiles
- 4th Generation aircraft capacity

Maritime Domain: \$34.7 Billion

- Increase strike options including unmanned
- Grow the Battle Force fleet

Land Domain: \$14.6 Billion

- Next-generation combat and tactical vehicles, Future Vertical Lift
- Enhance Close Combat Lethality

Multi-Domain: \$31.0 Billion

- Ground-Based Strategic Deterrent, B-21 Bomber, Long-Range Stand Off Weapon, Columbia class submarine, missile warning, and NC3
- Ground-Based Missile Defense, Terminal High Altitude Area Defense, advanced technology missile defense
- Directed Energy, AC/MC-130J aircraft, CV-22 tilt rotor aircraft, and other maritime craft systems



Largest Shipbuilding request in more than 20 years

Develop and Field Innovative Technologies

Unmanned / Autonomous: \$3.7 Billion

- Enhances freedom of maneuver and lethality in contested environments



Artificial Intelligence / Machine Learning (AI/ML): \$927 Million

- Expands military advantage through the Joint Artificial Intelligence Center (JAIC) and Advanced Image Recognition



Hypersonics: \$2.6 Billion

- Air Force prototyping, Navy Sea-Launched Conventional Prompt Strike, and Army Land-Launched Conventional Prompt Strike



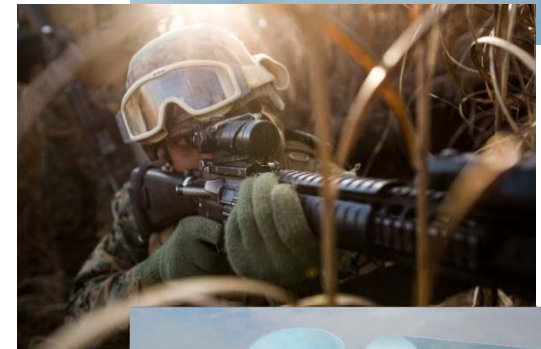
Directed Energy: \$235 Million

- Implementation of directed energy for base defense; testing and procurement of multiple types of lasers; R&D for scalable high-power density applications

Largest research and development request in 70 years

Sustain and Build on Readiness Gains

- Funds readiness to executable levels across services (\$124.8 Billion)
 - Army: Adds \$1.7B in critical training for Armored Brigade Combat Teams (ABCTs) and infrastructure improvements
 - Navy: Increases funding by \$2.1B to maintain and operate a growing and more lethal force
 - Air Force: Grows funding by \$1.2B in core readiness programs such as depot maintenance, contractor logistics support, flying hours
- Continues improvements in the tactical aviation enterprise (\$41.2 Billion)
 - Further investment in aviation maintenance, spares, and flying hours
- Resources advanced training capabilities at live ranges (\$1.5 Billion)
- Increases funding for offensive/defensive cyber domain training (\$2.6 Billion)



FY 2020 budget builds on readiness gains to prepare for future threats

Sustaining Our Forces

Competitive Compensation Package

- 3.1% military pay raise – largest increase in 10 years
- Modernizes and transforms the Military Health System
- Sustains family support initiatives – invests nearly \$8B
 - Spousal/community support
 - Child care for over 180K children and youth programs serving over 1 million dependents
 - DoD Dependent Schools educating over 76K students
 - Commissary operations at 236 stores



Largest military pay raise in 10 years

Facilities Investment

- **Increases Facilities Investment**
 - Supports the National Defense Strategy by investing in key operational and training facilities
 - Enables timely maintenance of critical infrastructure
 - Improves Quality-of-Life for Service Members and their families
 - Provides funding for Marine Corps and Air Force hurricane-related facility repairs at Camp Lejeune and Tyndall Air Force Base



Improving facilities for today's families and tomorrow's fight

FY 2020 President's Budget Military End Strength

Military Component	FY 2018 ^{1/}	FY 2019 ^{2/}	FY 2020	FY 2024	Δ FY19-20	Δ FY19-24
Active Components (AC)						
Army	476,179	478,000	480,000	488,000	+2,000	+10,000
Navy	329,867	338,877	340,500	354,000	+1,623	+15,123
Marine Corps	185,518	186,100	186,200	186,400	+100	+300
Air Force	325,880	330,308	332,800	338,800	+2,492	+8,492
TOTAL AC	1,317,444	1,333,285	1,339,500	1,367,200	+6,215	+33,915
Reserve Components (RC)						
Army Reserve	188,811	189,250	189,500	190,500	+250	+1,250
Navy Reserve	58,196	59,074	59,000	59,000	-74	-74
Marine Corps Reserve	38,333	38,369	38,500	38,500	+131	+131
Air Force Reserve	68,703	70,000	70,100	70,300	+100	+300
Army National Guard	335,204	335,500	336,000	338,000	+500	+2,500
Air National Guard	107,469	107,100	107,700	108,600	+600	+1,500
TOTAL RC	796,716	799,293	800,800	804,900	+1,507	+5,607
Army AC + RC	1,000,194	1,002,750	1,005,500	1,016,500	+2,750	+13,750
Navy AC + RC	388,063	397,951	399,500	413,000	+1,549	+15,049
Marine Corps AC + RC	223,851	224,469	224,700	224,900	+231	+431
Air Force AC + RC	502,052	507,408	510,600	517,700	+3,192	+10,292
TOTAL AC + RC	2,114,160	2,132,578	2,140,300	2,172,100	+7,722	+39,522

1/ FY 2018 Actuals

2/ FY 2019 Projected. FY 2019 NDAA (P.L. 115-232 Authorized Army (Active 487.5K; Reserve 199.5K; Guard, 343.5K); Navy Active 335.4K; AF Active 329.1K).

Capacity & Lethality – 39.5K increase by FY 2024

Major Investments in the FY 2020 Budget

(Base + OCO)

	FY 2019 Enacted		FY 2020 Request	
	Qty	\$B	Qty	\$B
Aircraft				
F-35 Joint Strike Fighter (Air Force, Marine Corps, Navy)	93	\$11.6	78	\$11.2
KC-46 Pegasus (Air Force)	15	\$2.4	12	\$2.3
F/A-18E/F Super Hornet (Navy)	24	\$2.1	24	\$2.0
AH-64E Apache Attack Helicopter (Army)	66	\$1.5	48	\$1.0
VH-92 Presidential Helicopter (Marine Corps)	6	\$0.9	6	\$0.8
P-8A Poseidon (Navy)	10	\$2.2	6	\$1.5
CH-53K King Stallion (Marine Corps)	8	\$1.5	6	\$1.5
F-15EX	-	-	8	\$1.1
Shipbuilding				
COLUMBIA Class Ballistic Missile Submarine	-	\$3.9	-	\$2.2
CVN-78 FORD Class Aircraft Carrier	-	\$1.7	1	\$2.6
VIRGINIA Class Submarine	2	\$7.4	3	\$10.2
DDG-51 ARLEIGH BURKE Class Destroyers	3	\$6.2	3	\$5.8
Littoral Combat Ships (LCS) FY 2019 / Frigate (FFG(X)) FY 2020	3	\$1.9	1	\$1.3
Fleet Replenishment Oiler (T-AO)	2	\$1.1	2	\$1.1
Unmanned Surface Vehicles (USV)	-	\$0.1	2	\$0.4
Towing, Salvage, and Rescue Ship (T-ATS)	1	\$0.1	2	\$0.2

Includes Procurement and Research, Development, Test and Evaluation (RDT&E) funding

Numbers may not add due to rounding

Major Investments in the FY 2020 Budget

(Base + OCO)

	FY 2019 Enacted		FY 2020 Request	
	Qty	\$B	Qty	\$B
Space				
National Security Space Launch (NSSL) (aka EELV) (Air Force)	5	\$2.1	4	\$1.7
Global Positioning System (GPS) III and Projects (Air Force)	2	\$1.4	1	\$1.8
Space Based Overhead Persistent Infrared (OPIR) Systems (Air Force)	5	\$0.8	-	\$1.6
Ground Systems				
Joint Light Tactical Vehicle (Army, Marine Corps, Air Force)	5,093	\$1.9	4,090	\$1.6
M-1 Abrams Tank Modifications/Upgrades (Army)	168	\$2.7	165	\$2.2
Amphibious Combat Vehicle (Marine Corps)	30	\$0.2	56	\$0.4
Armored Multi-Purpose Vehicle (Army)	197	\$0.8	131	\$0.6
Munitions				
Joint Direct Attack Munition (JDAM) (Navy, Air Force)	43,594	\$1.1	40,388	\$1.1
Guided Multiple Launch Rocket System (GMLRS) (Army, Marine Corps)	8,101	\$1.1	10,193	\$1.4
Standard Missile-6 (SM-6) (Navy)	125	\$0.7	125	\$0.7
Small Diameter Bomb II (SDB II) (Navy, Air Force)	1,260	\$0.4	1,925	\$0.4
Hellfire Missile (Army, Navy, Air Force)	6,066	\$0.5	9,000	\$0.7
Joint Air-to-Surface Standoff Missile (Air Force)	360	\$0.6	430	\$0.6
Long Range Anti-Ship Missile (LRASM) (Air Force, Navy)	50	\$0.3	48	\$0.2

Includes Procurement and Research, Development, Test and Evaluation (RDT&E) funding

Numbers may not add due to rounding

Funded preferred munitions at the maximum production rate

Major Investments in the FY 2020 Budget

(Base + OCO)

	FY 2019 Enacted		FY 2020 Request	
	Qty	\$B	Qty	\$B
Nuclear Deterrence				
B-21 Long Range Strike Bomber (Air Force)	-	\$2.3	-	\$3.0
COLUMBIA Class Submarine - (<i>Advance Procurement + RDT&E</i>) (Navy)	-	\$3.9	-	\$2.2
Long-Range Stand-Off (LRSO) Missile (Air Force)	-	\$0.7	-	\$0.7
Ground Based Strategic Deterrent (GBSD) (Air Force)	-	\$0.4	-	\$0.6
Missile Defeat and Defense Programs				
AEGIS Ballistic Missile Defense (SM-3)	44	\$1.6	37	\$1.7
Support for Missile Defense Review (e.g., Land-Launched Conventional Prompt Strike, Extended Range Weapon, Space-based Discrimination Sensor Study)	-	-	-	\$1.5
Ground Based Midcourse Defense (Silos/Interceptors)	4/12	\$1.8	-	\$1.7
Terminal High Altitude Area Defense (THAAD) Ballistic Missile Defense	96	\$1.5	37	\$0.8
Patriot Advanced Capability (PAC-3) Missile Segment Enhancement	280	\$1.1	147	\$0.7

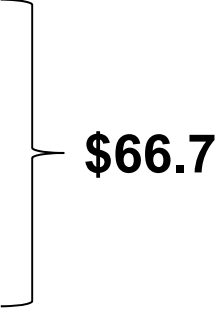
Includes Procurement and Research, Development, Test and Evaluation (RDT&E) funding

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Supports the Missile Defense Review priorities

FY 2020 Overseas Contingency Operations (OCO) and Emergency Budget Request

(Dollars in Billions)

<ul style="list-style-type: none"> • Direct War Requirements <ul style="list-style-type: none"> – Combat or combat support costs that are not likely to continue once contingency operations end 	<p>\$25.4</p>	
<ul style="list-style-type: none"> • OCO for Enduring Requirements <ul style="list-style-type: none"> – Enduring in-theater and CONUS costs that will remain after combat operations end 	<p>\$41.3</p>	
<ul style="list-style-type: none"> • OCO for Base Requirements <ul style="list-style-type: none"> – Base budget requirements financed in the OCO budget to comply with the Budget Control Act (BCA) of 2011 	<p>\$97.9</p>	
<ul style="list-style-type: none"> • Emergency Requirements <ul style="list-style-type: none"> – Unspecified construction for emergencies, to include reconstruction efforts to rebuild facilities damaged by Hurricanes Florence and Michael 	<p><u>\$9.2</u></p>	
<p>TOTAL OCO/EMERGENCY REQUEST</p>	<p>\$173.8</p>	

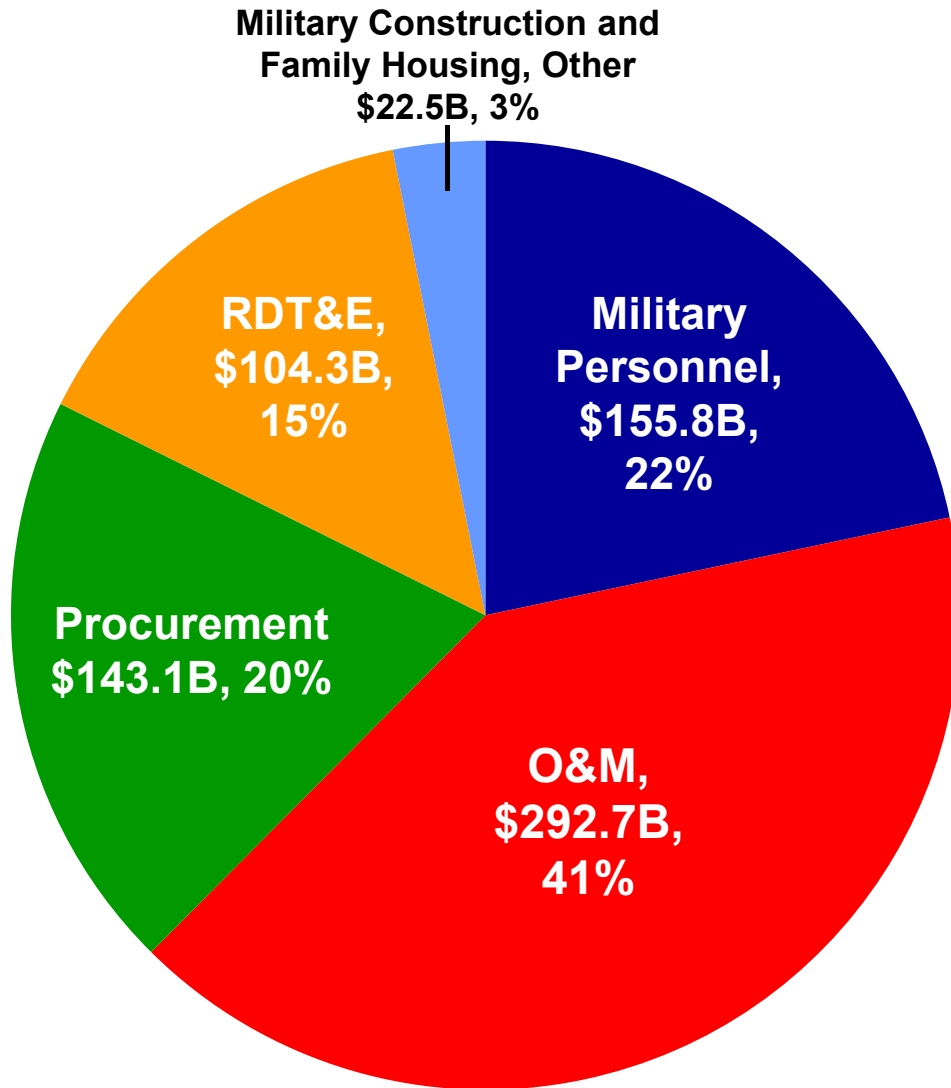
Reform for Greater Performance and Affordability

- FY 2017 and FY 2018 - \$4.7B savings from reform of contract management, Information Technology, healthcare, personnel, acquisitions, and financial operations
- FY 2019 - project \$6B savings to reallocate in partnership with Congress to higher priority needs
- Identified \$7.7B in estimated FY 2020 savings through enterprise-wide reforms to achieve greater performance and affordability
- Completed the first ever DoD financial statement audit
 - More than financial management – cyber security, inventory, property, data analytics
 - Developing and executing fixes and kicked off the 2019 audit

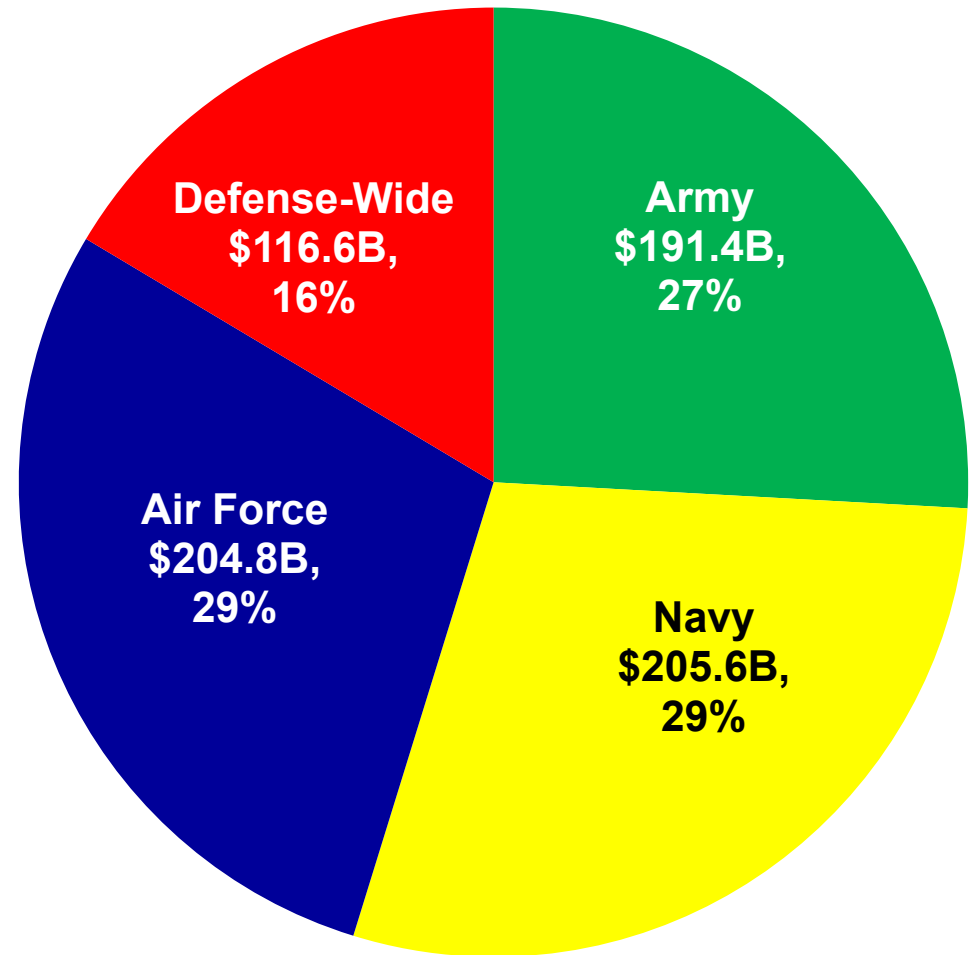
Changing the way DoD does business to deliver performance at the speed of relevance, organize for innovation, and drive budget discipline and affordability

FY 2020 Total Base and OCO Funding

By Appropriation Title



By Military Department



FY 2020 Request: \$718 billion

Numbers may not add due to rounding

For More Information

- Visit the website for the Office of the Under Secretary of Defense (Comptroller) at
 - <http://www.defense.gov/cj>
 - Download the Department of Defense's FY 2020 Budget Request

