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COMPARISON OF THE FY 2009 SENATE AND HOUSE DEFENSE AUTHORIZATION BILLS

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On April 30, 2008, the full Senate passed its version of the fiscal year (FY) 2009 defense authorization act. The House passed its version of the bill on May 22. This *Update* provides a brief assessment of how these two bills compare, both to each other and to the administration's request. The administration's defense budget request is also working its way through the House and Senate appropriations process.¹

Both the Senate and House defense authorization bills would provide a total of \$612.5 billion for national defense, the same amount requested by the administration.² Consistent with the request, this total includes \$542.5 billion³ for the "base" defense budget and \$70 billion in war-related funding.⁴

At \$542.5 billion, the level of funding included in these measures for the FY 2009 base defense budget would represent about a 5.5 percent real (inflation-adjusted) increase from this year's level. It would also bring the base defense budget to its highest level ever. The amount of war-related funding authorized in these bills represents only a down-payment. Eventually, far more will need to be provided to fully cover these costs in 2009. However, even assuming that the level of war-related funding provided for 2009 ultimately reaches the total amount provided for FY 2008 (about \$185 billion), defense spending in FY 2009 would absorb a significantly smaller share of gross domestic product (GDP) than it did during World War II, or the Korean and Vietnam Wars.

¹ The defense authorization act *authorizes the appropriation* of funds. It does not, however, provide any actual funds to the Department of Defense (DoD). The enactment of separate appropriations measures is required for DoD to receive funding.

² National Defense includes funding for DoD, as well as defense-related activities in the Department of Energy and a number of other agencies.

³ This total differs slightly (by about \$1.4 billion) from the total request as reported by DoD because of differences in estimates of DoD mandatory spending.

⁴ Neither the House nor Senate has, as yet, passed its version of the FY 2009 defense appropriations act. However, the House Defense Appropriations Subcommittee version of the bill, marked up on July 30, would cut about \$4 billion from the administration's request.

Although consistent with the Bush Administration's request at the topline level, the Senate and House defense authorization bills differ from each other and from the administration's request in some important details.⁵

HIGHLIGHTS OF THE TWO BILLS

- **Military Pay and Benefits:** The Senate and House defense authorization bills both include average pay raises of 3.9 percent for military personnel. This is half a percentage point higher than the 3.4 percent pay raise requested by the administration. Both bills also reject the administration's proposal to increase TRICARE medical insurance fees, copayments and pharmacy fees paid by military retirees. These two changes from the request are projected to add about \$316 million and \$1.2 billion, respectively, to the cost of military compensation in FY 2009.
- **End Strength:** Both bills support the administration's request to increase the permanent active-duty end strength of the US military by 12,000 personnel in FY 2009, as part of its ongoing plan to eventually add a total of 92,000 troops. The planned increase—which includes 65,000 additional Army personnel and 27,000 more Marines—is projected to add about \$100 billion to the cost of DoD's plans over the next six years.
- **Procurement:** The administration's FY 2009 request includes \$102.7 billion for procurement in DoD's base budget, plus another \$8.5 billion in war-related procurement funding. The Senate bill would provide essentially the amount requested for the base defense budget, but would add some \$5.7 billion in procurement funding to the administration's war-related request. The House bill would likewise fully fund the request for procurement funding in the base defense budget, but would add about \$3.6 billion to the request for war-related procurement. Programmatically, both the Senate and House bills would make a few significant changes to the administration's procurement request. Both chambers added funding to buy long-lead items needed to purchase a second Virginia-class attack submarine in FY 2010. Both bills would cut funding for the Army's Armed Reconnaissance Helicopter program. The Senate bill would fully fund the administration's \$2.5 billion request to purchase a third DDG-1000 destroyer, while the House rejected this request.⁶ Both bills would add funding to buy an additional LPD-17,7

⁵ For more information, see, Pat Towel, Stephen Daggett and Amy Belasco, "Defense: FY 2009 Authorization and Appropriations," CRS, August 1, 2009; *Report of the Committee on Armed Services, House of Representative, on HR 5658, The Duncan Hunter National Defense Authorization Act of Fiscal Year 2009* (Washington, DC: GPO, May 16, 2008); and *Report of the Committee on Armed Services, United States Senate, on S 3001, National Defense Authorization Act of Fiscal Year 2009* (Washington, DC: GPO, May 12, 2008).

⁶ In July, Navy officials informed Congress of plans to limit the DDG-1000 program to only two ships. However, since then, DoD has reportedly decided to stick with its earlier plan to buy a third ship of this class, and possibly more in the future. Bryan

while the House would also provide advance procurement funding for two more T-AKE cargo ships. The House bill would add \$3.9 billion to the administration's war-related appropriations request to buy 15 C-17 cargo aircraft.

- **Research and Development (R&D):** The administration's defense budget request includes \$79.6 billion for R&D in FY 2009. Both the Senate and House defense authorization bills would add about \$100 million to this request. A key difference is that the House bill would cut about \$156 million in R&D funding from the Army's Future Combat System (which consists of a family of new combat vehicles, as well as unmanned aircraft, sensors and other components), while the Senate bill would fully fund the request for this program.
- **Ballistic Missile Defense (BMD):** The administration requested \$10.9 billion for BMD programs in FY 2009. The Senate version of the FY 2009 defense authorization act would cut \$648 million from this request, while the House bill would cut it by \$974 million. The Senate and House bills would reduce funding for boost-phase programs by, respectively, \$46 million and \$43 million. Likewise, both chambers would cut the administration's request for the Multiple Kill Vehicle program—by, respectively, \$50 million and \$100 million. One significant difference between the two bills is that while the Senate fully funded the request for midcourse defense programs, the House eliminated \$182 million for the development of a European midcourse interceptor site.
- **Military Operations in Iraq and Afghanistan:** As noted earlier both the Senate and House defense authorization bills would fully fund the administration's \$70 billion request for military operations in FY 2009. However, this represents only a down-payment on those costs. On June 30, Congress passed and the President signed a supplemental appropriations bill that included \$66 billion for DoD for military operations in FY 2009, plus \$4 billion in related foreign assistance.⁸ How much will ultimately need to be provided for the wars in Iraq and Afghanistan in FY 2009 will depend primarily on the level of forces maintained in those countries through the end of next year.

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Bender, "Lawmakers' Influence Felt in Destroyer Decision," *Boston Globe*, August 20, 2008.

⁷ The House bill includes \$1.8 billion to buy a LPD-17 in FY 2009, while the Senate bill includes \$273 million in advance procurement funding needed to purchase an additional LPD-17 in FY 2010.

⁸ This measure also included about \$100 billion in war-related funding for FY 2008. Combined with the \$87 billion previously provided (as part of the FY 2008 defense appropriations act passed at the end of last year), this brought the total amount of war-related funding enacted for FY 2008 to some \$187 billion.

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