



ASSOCIATION OF OLD CROWS ADVOCACY NEWSLETTER

December 2, 2020

A Closer Look: The Senate’s FY 2021 Defense Appropriations

On November 10, almost two months into the fiscal year, the Senate Appropriations Committee released all twelve annual appropriations bills for FY 2021. This is a public signal to officially move the annual congressional defense budget process forward. While it is a welcomed step, it does not represent a major breakthrough. The late release of appropriations bills was preplanned long before the November elections. Senate rules on the filibuster and cloture make it much harder to move legislation than the House, which only needs a simple majority. Due to the coronavirus, the general election, and other divisive issues facing Congress, it was a foregone conclusion that Congress would wait until at least the Lame Duck session to address the FY 2021 budget. For several months, professional committee staff and principal members from both the House and Senate have been meeting informally to reach an agreement on the vast majority of provisions and funding levels, leaving the most controversial issues for the bicameral leadership. There are still obstacles to completing the FY 2021 budget, and another long-term CR is not out of the question, but negotiations are trending in a positive direction.

As noted in last week’s newsletter, the Senate Appropriations Committee allocates \$696 billion in total funding, including \$68.7 billion for Overseas Contingency Operations (OCO) funding. This is roughly the same top line number as the House, which provided \$695.12 billion in total defense spending, including \$68.4 for OCO. When appropriations bills move in the spring, they compare to the previous fiscal year and the President’s budget request. However, two months into the current fiscal year and operating on a CR makes the President’s request more or less irrelevant.

Therefore, Table 1 shows how Senate recommendations compare to FY 2020 and the current estimate for FY 2021. There are no notable shifts in funding for major accounts, but the Senate bill does come in slightly under FY 2020. For total defense spending, the Senate recommends

Category	FY 2020 Total	FY 2021 Estimate	FY 2021 Senate Recommendation	% Change from Previous Year	% Change from Estimate
MILPER	\$142,446,067	\$150,524,104	\$149,616,480	4.79%	-0.61%
O&M	\$199,415,415	\$196,630,496	\$194,797,478	-2.37%	-0.94%
Procurement	\$133,879,995	\$130,866,091	\$133,304,819	-0.43%	1.83%
R&D	\$104,431,232	\$106,224,793	\$104,080,076	-0.34%	-2.06%
OCO	\$70,665,000	\$68,650,238	\$68,650,000	-0.43%	-0.00%
Subtotal of Major Accounts	\$650,837,709	\$652,895,722	\$650,448,853	-0.06%	-0.38%
Total, Mandatory & Discretionary	\$706,200,778	\$698,584,572	\$696,486,500	-1.39%	-0.30%

Table 1. Senate Appropriations Comparisons

ADVOCACY NEWSLETTER

approximately \$10 billion less than FY 2020, but this is mostly due to the cost of legislative provisions, scorekeeping adjustments, and other defense-related programs funded within the bill. There is only about \$1 billion overall separating the House and Senate.

Finally, one last shout out to the Budget Control Act! Despite being amended in 2015, 2018, and 2019 to accommodate increased defense spending, FY 2021 is the last year under BCA. Both the House and Senate come in well under the cap for this year, but FY 2022 will be the first year since FY 2011 with no budget cap requirement. It is a dynamic to keep an eye on in future years as a decade of instability brought about by the BCA is off-the-books.

Items of Interest - Procurement

The Senate recommendation provides \$133.3 billion for procurement, which is approximately \$3 billion more than the estimate for FY 2021. AOC is monitoring 36 procurement lines worth about \$3.3 billion here. While not all-inclusive of programs related to electromagnetic spectrum operations (EMSO), the list provides a good indication of the Administration and Congress' support for EMSO-relevant programs.

The following are some notable initiatives and adjustments (*Note: "Ahead of need" is not an indictment on a program, but an accounting justification*):

- Fully funds Army's Aircraft Survivability Equipment line at \$49.5 million
- Provides \$230.7 million for the Common IR Countermeasure (CIRCM) program
- Does NOT include additional funds for the Army's Tactical EW System under Modification of In-Svc Equipment (MIP), for which the House provided \$37 million
- Fully funds the Army's Multi-Function EW (MFEW) and Terrestrial Layer System (TLS) programs
- Fully funds key Navy programs, including Airborne Electronic Attack (AEA) Systems, Surface EW Improvement Program (SEWIP), Next Generation Jammer (NGJ), and MAGTF EW Aviation
- Provides \$734.3 million for the E-2D Hawkeye, including \$123 million in advanced program. However, funding is reduced by \$15 million for unjustified cost growth of a training system and it does not include one (1) additional aircraft as did the House
- Provides \$299.7 million for the USAF Compass Call program; unfortunately, the amount only provides for one (1) new Compass Call aircraft, which maintains an insufficient delivery schedule
- Cuts \$32 million for the USAF Eagle Passive Active Warning Survivability System

ADVOCACY NEWSLETTER

(EPAWSS) due to development delays

- Cuts \$20 million from the AC/MC-130J program due to funding ahead of need for the RF Countermeasures (RFCM)
- Cuts \$30 million from Space Force Counter Space Systems due to funding ahead of need for Meadowlands satellite jamming system

Overall, procurement funding recommendations are straightforward and in line with the President's request and FY 2021 estimate. AOC is going to continue to closely monitor the procurement of the new Compass Call platform (EC-37B), which needs to accelerate to meet operational needs. We are also tracking developments of other vital programs, including the NGJ, EPAWSS, and Meadowlands.

Items of Interest - Research, Development, Testing, & Evaluation

Like procurement, AOC is monitoring 48 Program Elements (PEs) totaling \$5 billion in RDT&E spending and covering more than 100 activities. The Senate provides \$104.1 billion, which pulls back about \$2 billion less than the FY 2021 estimate. It is also important to highlight that, like the House, the Senate did not support the USAF recommendation to realign several PEs relating to electronic warfare, cyber operations, and other electromagnetic activities. Under the USAF proposal, many PEs including but not limited to Electronic Combat Technology, Advanced Aerospace Sensors, and Advanced Weapons Technology, were consolidated under Next Gen Effects Dev/Demos, Next Gen Platform Dev/Demo, and Persistent Knowledge and C2 Tech PEs. According to the Senate Appropriations Committee, this proposal would provide unprecedented programmatic and fiscal flexibility, allowing the Air Force to move funds between programs without Congressional engagement or oversight.

Other notable initiatives and adjustments include the following:

- Provides an additional \$44 million to the Army's Network C3I Technology account for several initiatives, including an A-PNT distributed antennae, autonomous platform threat detection, intelligent EP technology, and multi-UAS integrated ISR technology.
- Fully funds the Army's electronic warfare development account at \$55.8 million.
- Provides \$28.3 million for the Army's CIRCM program, which includes an additional \$5 million for AI virtual training technology.
- Provides \$90 million for the Navy's Electromagnetic Systems Applied Research, an increase of \$5 million for "dark swarm in degraded environments."
- Adds an additional \$15 million to the Navy's Electromagnetic Systems Advanced Technology account for all digital radar technology.

ADVOCACY NEWSLETTER

- Fully funds the Navy's Directed Energy and Electric Systems accounts.
- Fully funds the Navy's R&D accounts for the Next Generation Jammer.
- Provides an additional \$10 million to the USMC Advanced Technology Demonstration [ATD] account for ensuring defense and operational systems resilience for Marine Corps tactical cyber and spectrum maneuver.
- Fully funds the USAF High Energy Laser and Directed Energy Technology accounts, including an additional \$2.5 million for a DE Center of Excellence.
- Provides requested funding for USAF accounts for EPAWSS, Compass Call and AWACS initiatives.

Two relevant reporting requirements automatically take effect without having to go to the Conference Committee. First, the Senate Appropriations Committee notes that the increasing use of utilizing prototyping or accelerated acquisition authorities has led to a lack of reporting on cost estimates and test and evaluation master plans. The Committee directs the Secretaries of Defense for Research and Engineering and Acquisition and Sustainment to provide to the congressional defense committees with the submission of the FY 2022 President's budget request a complete list of approved acquisition programs—and programs pending approval in FY 2022—utilizing prototyping or accelerated acquisition authorities, along with the rationale for each selected acquisition strategy, and a cost estimate and contracting strategy for each such program.

Finally, the Senate Appropriations Committee directs the Army as Department of Defense Executive Agent for Counter Unmanned Aerial Systems (C-UAS) to provide a report to the congressional defense committees that details the Army's management plan and assessment of C-UAS requirements, including a list of validated requirements; a detailed listing of related acquisition programs across the department; resourcing requirements; research and development priorities; an assessment of the need for a C-UAS center of excellence; and the organization, structure, and responsibilities of the Joint C-UAS office.

For questions, comments, or additional information on any of the above topics, please contact Ken Miller, AOC Director of Advocacy and Outreach, at kmiller@crowds.org.
