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An Independent Nonprofit Aerospace Organization

Consolidated Appropriations Act, 2017

On 30 April, congressional appropriators reached an agreement to fund the federal government until October 1, 2017

- All the federal departments are funded through the “Consolidated Appropriations Act, 2017” – an Omnibus Appropriations bill
- The Consolidated Appropriations Act, 2017 includes base funding, OCO/Global War on Terror (GWOT) funding, and the fiscal year 2017 (FY 17) defense supplemental
- Since October 1, 2016, the federal government has been funded by 3 continuing resolutions (CRs); the last CR was signed into Law on Friday, 28 April, and lasts for one week (5 May) until new appropriations are passed and signed into law
- Congress is expected to vote and approve the agreement, and the president is expected to sign it into law
- DOD will only have about 5 months to gets most of the money under contract

Fiscal Year 2017 (FY 17) Omnibus Appropriations Highlights

- Provides total of \$1.163T in base and OOCO/GWOT funding
- Base discretionary funding meets the caps in current law, providing \$1.07T
- Includes \$93.5B in total OCO/GWOT funding to provide resources and training for troops in the field, to combat the threat of ISIL and other enemies around the world, to support U.S. allies, and to fund diplomatic and humanitarian missions
- \$8.1B in emergency and disaster funding for FY17
- Includes several policy items to rein in bureaucratic and regulatory overreach, to protect rights of Americans, and to encourage economic growth and job creation
- \$25B increase in defense spending over current levels
- Provides \$1.5B in new border security spending, including technology (but not physical border wall)

FY 2017 Omnibus Summary – DOD

- Consistent with enacted FY 17 National Defense Authorization Act (NDAA)
- In total, bill provides \$593B, an increase of \$19.9B over FY 16 enacted level and \$16.3B more than Obama Administration’s request
- \$516.1B in base discretionary funding – an increase of \$2B above current levels
- \$76.6B in OCO/GWOT funding

- Combined with \$5.8B in supplemental funding enacted in December's CR, the total Defense funding for FY 17 is \$598.5B -- an increase of \$25.7B over FY 16 and \$22.1B more than President Obama's original request

- **Military Personnel and Pay**
 - \$132.3B – \$128.7B for base requirements and \$3.6B for OCO/GWOT requirements
 - Funds authorized 2.1% pay raise for military

- **Operation and Maintenance**
 - \$223B – \$167.6B for base requirements and \$55.4B for OCO/GWOT requirements--\$9.4B above FY 16

- **Research and Development**
 - \$73.7B – \$72.3B for base requirements and \$1.4B for OCO/GWOT requirements--\$3.7B above FY 16 level
 - Supports
 - RDT&E F-35 Joint Strike Fighter
 - GPS III operational control and space segments
 - New Air Force bomber (B-21) program
 - Next-generation JSTARS aircraft
 - RQ-4 Triton Unmanned Aerial Vehicle

- **Equipment Procurement**
 - \$123.3B – \$108.4B for base requirements and \$14.9B for OCO/GWOT requirements--\$4.7B above FY16
 - Includes:
 - \$8.2B for 74 F-35 aircraft
 - \$275M for 20 MQ-1 Gray Eagle unmanned aerial vehicles
 - \$2.6B for 15 KC-46 tanker aircraft
 - \$1.3B for 17 C/HC/KC/MC-130J aircraft
 - \$750M for National Guard and Reserve Equipment (NGREA) account

- **Defense Health and Military Family Programs**
 - \$34.1B for base and GWOT requirements – \$1.5B above FY 16 enacted level
 - \$312M for cancer research
 - \$125M for traumatic brain injury (TBI) and psychological health research
 - \$296M for sexual assault prevention and response programs

- **Force Structure**
 - Provides increases above FY 16

FY 17 Supplemental

- Included in Overseas Contingency Operations (OCO) funds as they are not restricted by the Budget Control Act (BCA) to spending caps
- Includes \$14.7 billion in additional war funding
- Aimed at readiness and warfighting
 - \$7.7B for operations and maintenance (O&M) across Services

- \$2.9B for "increased operational tempo and flying hours" as well as training and increased readiness
- \$990M for research and development (RDT&E)
- \$131M for personnel funding for additional mobilizations of the Air National Guard and Air Force Reserve to support operations in Afghanistan, Iraq and Syria
- \$5.5B for procurement of munitions, weapons and spare parts
- \$247M for Military Construction (MILCON)
- Fences off nearly \$2.5B until the Trump administration delivers a report to Congress on its strategy to defeat ISIS
- Note: President Trump had requested \$30B defense supplemental; several billion were already included in the full fiscal 2017 defense spending bill passed by the House in March

Select Appropriations Specifics

- F-35: [2017 Omnibus plus-up +11 F-35 (+5 USAF F-35 CTOL. 2017 Supplemental requests +5 USAF F-35 CTOL
- JSTARS Recap: [2017 Omnibus fully funds \$128M JSTARS Recap RDT&E]
- GBSD: [2017 Omnibus fully-funds \$114M 2017 GBSD RDT&E request, but rescinds -\$18M of the \$75M 2016 GBSD RDT&E funding]
- AEHF: [2017 Omnibus fully funds \$645M AEHF procurement, and \$229M AEHF RDT&E (-\$30M cut), for \$874M total]
- Global Hawk: [2017 Omnibus funds \$245M RQ-4 RDT&E (-\$12M cut), and \$7M RQ-4 Mods procurement (-\$6M cut)]
- KC-46: [2017 Omnibus cut -\$317M from \$2.9B 2017 KC-46 Proc. request, but transferred +\$150M to KC-46 Spares. Congress funded \$229M in 2017 KC-46 RDT&E (-\$32M cut). 2017 Omnibus also rescinds -\$198M of \$2.4B 2016 KC-46 Proc. (-8% cut), plus -\$375M, from \$592M 2016 KC-46 RDT&E (-63% cut). Current December CR authorized immediate increase to 15 2017 KC-46 orders, allowing \$2.1B Jan. 17, 2017 KC-46 contract award]
- T-X: [2017 Omnibus funds \$7M T-X RDT&E (-\$5M cut)]
- JSTARS Recap: [2017 Omnibus fully funds \$128M RDT&E. No impact from 2017 Supplemental]
- GBSD: [2017 Omnibus fully-funds \$114M 2017 GBSD RDT&E request, but rescinds -\$18M of \$75M 2016 GBSD RDT&E funding]
- Air Force One/PAR: [2017 Omnibus funds \$322M PAR RDT&E (-\$29M cut)]