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 An Independent Nonprofit Aerospace Organization

Fiscal Year 2019 President’s Budget

President Trump released his Fiscal Year (FY) 2019 President’s Budget (PB)

- Requests \$4.4 trillion in total federal funding
 - **Non-Defense:** Calls for \$540 billion (B) in non-military discretionary spending, shy of the \$597B limit for the year starting Oct. 1 that Congress passed last week as part of the Bipartisan Budget Act ([Public Law 115-123](#))
 - **Defense:** Calls for a total of \$716B, using emergency Overseas Contingency Operations (OCO) funds of \$89.0B to surpass the \$647B limit

\$716 (B) for National Defense; \$686.074B – for Department of Defense (DOD)

- Mr. David Norquist, OSD Comptroller – “...big but needed numbers”
- Defense request is for \$686.1B (\$597.1B Base + \$89.0B OCO)
- Represents 5% real growth over the initial FY 2018 President’s Budget and 10% real growth over the current Continuing Resolution (CR). While reversing a 7-year decline, defense spending remains near historical lows as a share of the U.S. economy
- Budget is aligned with new budget caps
- Strategy-driven budget
- Increases end strength for the Army, Navy and Air Force (+25,900),
- Seeks almost \$9B to boost cyber operations
- Provides 2.6% military pay raise—largest in 9 years
- Did not request Base Realignment and Closure (BRAC) round in FY 2019
- Enhancing deterrence by modernizing the nuclear triad
- Increasing the emphasis on technology innovation for increased lethality.
- Invests \$13.7B in science and technology (S&T) to further innovation and new and advanced capabilities including hypersonics technology, cyber space, space, directed energy, electronic warfare, unmanned systems and artificial intelligence
- Reorganizes the Under Secretary of Defense for Acquisition, Technology and Logistics into two new Under Secretaries of Defense
- Appoints a Chief Management Officer (CMO) to manage business operations
- Elevates Cyber Command

Department of Defense Budget

| | FY18 CR | FY19 PB |
|------------------------|-----------------|-----------------|
| Base | \$523.5B | \$523.7B |
| OCO | \$82.5B | \$83.4B |
| Emergency Supplemental | \$4.7B | ----- |
| TOTAL | \$611.8B | \$686.1B |

US Air Force

Budget increases lethality of force

Budget Priorities

- Accelerate warfighting readiness
- Nuclear deterrent
- Cost-effective modernization
- Moving faster to dependable space
- Networked Battle Management
- Drive innovation

**\$194.2B total (incl \$37.9 pass through) [FY18: 183.6B incl \$37.1B pass through]
\$156.3B Blue (6.6% increase of FY18 \$146.6B)**

| | FY18 PB | FY19PB | Change |
|--|-----------------|-----------------|---------------|
| Operations & Maintenance (O&M) | \$49.2B | \$49.9B | \$.7B |
| MILPERS (Personnel) | \$30.7B | \$32.4B | \$1.7B |
| Procurement | \$24.8B | \$25.7B | \$.8B |
| RDT&E | \$25.6B | \$30.4B | \$4.8B |
| MILCON/BRAC | \$2.4B | \$2.2B | (\$.2B) |
| <u>Overseas Contingency Operations (OCO)</u> | <u>\$13.9B</u> | <u>\$15.6B</u> | <u>\$1.7B</u> |
| TOTAL | \$146.6B | \$156.3B | \$9.7B |

Air Superiority

- Continues 4th/5th Generation Aircraft modifications
- New Budget category for 'Future Air Superiority studies and investigations'

JSTARS (Joint Surveillance Target Attack Radar System)

- Transition to Airfield Battle Management System (ABSMS) to better meet COCOM Commanders' needs
- Will retain JSTARS aircraft through 2020s

Light Attack

- Continues Light Attack experiment

MILCON/BRAC (Military Construction/Base Realignment & Closure)

- Primarily for new mission (50% of MILCON is for new beddown locations for F-35As; KC-46As)

MILPERS (Personnel)

- Grows end strength to increase readiness (+4,700);
 - 329,100 in FY 2019; Total endstrength to 506,200
- Fund key programs to support Airmen and families
 - Increases Housing and Subsistence programs
 - Addresses Pilot Shortage
 - Right-sizes student training

- Revitalizes squadron and increase Quality of Life
- 2.6% military pay raise—largest in 9 years

Modernization/Recapitalization

- 48 F-35A Joint Strike Aircraft \$5.23B
 - Modest increase from 46 in FY 2018 request
- 15 KC-46 Tankers \$3.0B
- B-21 Long Range Strike Bomber (LRSB) \$0.6B
- T-X Trainer aircraft
- 10 Combat Search and Rescue (SAR) Helicopter
- Multiyear (MYP) of HC-130J & 6 MC-130J
- B-52 Re-Engining
- MQ-9 Procurement

Munitions

- Joint Direct Attack Munition (JDAM) \$1.2B
- Small-Diameter Bomb (SDB) \$0.7B

Nuclear Deterrence

- Nuclear TRIAD is priority; kept us safe for 70-years; previously underfunded
- Invests in modernizing Nuclear Command and Control
- Long Range Strike Option (LRSO) \$0.6B
- Ground Based Strategic Deterrent (GBSD) \$0.3B

Readiness

- Focuses on having enough trained people
- Addresses gaps in RPA, Cyber & Intelligence
- Funds flying hours
- Maximize industry capacity of preferred munitions
- Funds depot maintenance
- Funds family readiness

RDT&E

- Increases funding for backbone of future bomber force (B-21)
- Begins GPS III follow-on development
- Continues modernization of Ground Based Strategic Deterrent (GBSD) program

Space

- Substantial increase in space capability against Russia and China
- 8% increase in Space budget over FY18
- 5 Evolved Expendable Launch Vehicles \$2.0B
- GPS \$1.5B
- Space-Based Infrared System (SBIRS) \$0.8B
- Improves resiliency

Training

- Expands combat ranges and simulators