



DEPARTMENT OF DEFENSE

Funding Highlights:

- The Department of Defense (DOD) provides the combat credible military capabilities needed to compete, deter, and if necessary, fight and win wars to protect the security of the United States.
- The Budget funds the National Defense Strategy to support DOD's three lines of effort: rebuilding readiness and lethality; strengthening alliances and partnerships; and improving performance and affordability through reform.
- The Budget requests \$718 billion for DOD, a \$33 billion or 5-percent increase from the 2019 enacted level.

The President's 2020 Budget:

The Budget provides the necessary resources for DOD to defend the homeland, remain the pre-eminent military power in the world, ensure balances of power in key regions remain in America's favor, and advance an international order that is most conducive to U.S. security and prosperity. The Budget enhances the military's readiness and lethality, prioritizing strategic competition with China and Russia. The Budget also sustains efforts to deter and counter rogue regimes such as North Korea and Iran, defeat terrorist threats, and consolidate gains in Iraq and Afghanistan through a resource-sustainable approach. DOD will increase the impact of its investments, as it rebuilds more lethal force, strengthens the network of allies and partners, and implements reform.

The Budget builds on steady gains that have restored military readiness, enhanced lethality, increased force size, and driven the Islamic State of Iraq and Syria (ISIS) out of territory it once held. On this foundation of strength, the Budget reflects the full integration of the National Defense Strategy across DOD, and supports dominance across all domains. The Budget provides the Army, Navy, Air Force, and Marine Corps the capabilities to bolster advantage in the air, on land, and at sea, leveraging advances in key technologies, including long-range precision fires, hypersonic missiles, and missile defense systems. For space, the Budget supports the creation of a new branch of the Armed Forces, the United States Space Force, and a new combatant command, U.S. Space Command, while the Space Development Agency, which is being established in 2019, fosters innovation. For cyber, the Budget continues to integrate efforts and operationalize U.S. cyber strategy, while scaling artificial intelligence throughout the Department. The Budget funds these advanced capabilities for the force needed to achieve the objectives in the National Defense Strategy. In 2020, the Budget funds an end strength of 2,140,300 active and reserve military personnel, buys 12 battle

force ships and two large experimental unmanned surface ships, procures 110 fighter aircraft, and modernizes nearly two armored brigade combat teams.

Ensures the Readiness of U.S. Armed Forces. The Budget provides the resources necessary to continue rebuilding military readiness, which had been degraded by budget reductions imposed by the Budget Control Act and more than 17 years of warfighting. The Budget includes increased funding for the U.S. Army to modernize existing forces, provides additional training for soldiers to meet readiness goals by 2022, and increases readiness of security assistance brigades to train, advise, and enable foreign security forces to build partner capacity. The Budget funds continuing efforts to im-

"My Administration's National Security Strategy lays out a strategic vision for protecting the American people and preserving our way of life, promoting our prosperity, preserving peace through strength, and advancing American influence in the world."

President Donald J. Trump
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prove Navy and Marine Corps aviation readiness, with robust funding for maintenance, spare parts, and flying hours, while prioritizing close combat investments in lethality and enablers to provide every advantage to America's tactical warfighters. The Budget also funds ship depot maintenance and ship operations accounts to the maximum executable levels. In addition, the Budget funds Air Force flying hours to the maximum executable levels and continues to fund maintenance at a high level to achieve desired readiness gains, in addition to an aggressive program to recruit and retain additional pilots. The Budget also expands multiyear investments in training for high-end combat to ensure the United States remains able to defeat any adversary.

Modernizes the Nuclear Deterrent. The return of great power competition demonstrates the need for flexible, adaptable, and resilient nuclear capabilities to keep America safe and secure. The Budget continues the Administration's implementation of the Nuclear Posture Review through investments in nuclear ballistic missile submarines, strategic bombers, nuclear air-launched cruise missiles, intercontinental ballistic missiles, and the associated nuclear command, control, and communications systems.

Pursues Technological Innovation for Decisive Military Advantage. The rapid advancement and proliferation of new technologies is changing the character of war. To prevent the erosion of the U.S. competitive military advantage, DOD is investing in new technologies to compete, deter, and if necessary, fight and win the wars of the future. The Budget's key areas of focus include autonomous systems, hypersonics, and artificial intelligence, including \$208 million to scale DOD's Joint Artificial Intelligence Center. In addition, in 2020 the Army's newly formed Army Futures Command would be at full operating capability, designed to increase the efficiency of Army modernization, by leveraging technology across the enterprise and reducing development time. The Budget requests more than \$59 billion in research, engineering, and prototyping activities to maintain the military's technological superiority and conventional overmatch against priority challenges.

Establishes the United States Space Force (USSF). The Budget supports the creation of USSF as the sixth branch of the Armed Forces. For the first time in 70 years, DOD will establish a new service to organize, train, and equip DOD's forces in order to protect and defend America's national interests in the fourth domain of warfare. The USSF will initially realign existing space forces and materiel from the military services and will scale up responsibly and deliberately over the next several years in order to address increasing threats and maintain strategic stability. The Budget provides funding to establish the USSF as a new service within the Department of the Air Force while continuing to accelerate the development and procurement of vital capabilities to the Joint Force, allies, and partners. Central to achieving this new acquisition paradigm is the Space Development

Agency, which is being established in 2019 under existing authorities to foster innovation by leveraging the thriving domestic commercial space sector. The Budget also supports U.S. Space Command as the newest Combatant Command, which will employ the forces and capabilities presented by the USSF.

Advances Airpower for the 21st Century. The Budget request supports the continued modernization of DOD's aircraft fleets to enable them to meet the challenges they will face in the contested environment of the future. The Air Force's tactical fighter investment program is focused on procuring the advanced F-35A stealth fighter while improving its fleet of current fighters such as the F-15 and F-16. The Navy and Marine Corps would also continue to procure their own variants of the F-35, as well as modernize their current F/A-18E/F fighters. In addition, the Budget continues to fund the development of the next generation stealth bomber and procurement of KC-46 aerial refueling tankers. These investment programs would ensure that DOD will be able to successfully counter the wide variety of threats that could be encountered in future combat situations.

Builds a More Lethal and Ready Navy. The Budget enhances lethality to meet the Nation's security challenges today while preparing for tomorrow. The Budget balances between modernization and readiness as well as capability and capacity. Notably, the Budget accelerates acquisition for several key systems, including Unmanned Undersea Vehicles, and invests in advanced tactical munitions, such as Tactical Tomahawks and the Standard Missile 6 Block 1B. The Budget also buys two large experimental unmanned surface ships and 12 battle force ships, including three guided missile destroyers, three fast attack submarines, and the first of a new class of guided missile frigates. The Budget also supports the Navy's recent innovative procurement of nuclear aircraft carriers, which should enable the shipbuilder to achieve unprecedented efficiencies from the construction of two ships.

Improves Ground Combat Lethality. The Budget invests in enhancements to close combat lethality of small infantry units, and the modernization of armored brigades. Most combat deaths suffered by infantry squads happen while engaging with the enemy at close range. The Budget makes investments in improved equipment and training to enhance the overmatch of Army, Marine Corps, and Special Operations small combat units. By investing in new weapons and body armor, warfighter recruitment and training, tactical communications and sensors, the Budget makes these front line units more lethal, resilient, and capable in a close combat environment. The Budget also accelerates the modernization of the Army's armored brigades to nearly seven over the five-year window while investing in the development of a next generation ground combat vehicle.

Strengthens Missile Defense. The Budget supports the President's commitment to expand and improve state-of-the-art missile defense systems as articulated in the recently released Missile Defense Review (MDR). The Budget sustains deployed missile defense assets, improves system reliability against today's threats, increases engagement capability and capacity, and makes strides to rapidly address the advanced threat. The Budget continues work to build a new missile field at Fort Greely, Alaska, with 20 silos and 20 additional Ground-Based Interceptors (GBIs) in support of the Administration's plans to increase the number of deployed GBIs to 64, to protect the homeland against North Korean and other intermediate- and long-range ballistic missile threats. In addition to enhancing current capabilities, the Budget embraces the MDR principles of exploring promising new technologies, including in space, and enhancing offensive capabilities to neutralize missile threats prior to launch during a conflict.

Invests in Cyber Activities. The Budget continues to place a high priority on cybersecurity and cyber operations by requesting more than \$9.6 billion in 2020 to advance DOD's three primary cyber missions: safeguarding DOD's networks, information, and systems; supporting military commander

objectives; and defending the Nation. This investment provides the resources necessary to grow the capacity of U.S. military cyber forces (including the recently elevated United States Cyber Command), invest in the cyber workforce, and continue to maintain the highest cybersecurity standards at DOD.

Continues to Promote Stability and Security in South Asia. The Budget furthers the U.S. goal of a stable and secure South Asia by supporting the Afghan government and security forces in their fight against jihadist terrorist organizations. The Budget requests funding for continued U.S. training and assistance for the Afghan National Defense and Security Forces and enables U.S. forces to conduct counterterrorism operations.

Secures the Enduring Defeat of ISIS, al Qaeda, and other Jihadist Terrorists. The Budget requests the funding necessary to ensure the lasting defeat of ISIS. Building on ISIS's territorial defeat in Iraq and the liberation of ISIS-controlled territory in Syria, DOD will continue to work with partner forces to destroy remnants of ISIS, strengthen border security, retain territorial control, and disrupt ISIS's capability to attack the U.S. homeland and America's allies. The Budget also requests funding for DOD to address the threat from ISIS branches outside Iraq and Syria, and to protect the United States against other terrorist threats.

Increases Compensation for Servicemembers and Supports Military Families. Military compensation must be competitive to recruit and retain the most qualified men and women to serve in an All-Volunteer Force. The Budget proposes a 2020 military pay raise of 3.1 percent—the largest increase in a decade. The Budget also requests funding for a full range of compensation programs, from monthly incentive pays to recently modernized retirement benefits. In addition, the Budget requests funding to continue important programs that improve the quality of life for military families, and ensure they receive the support they need throughout every stage of their family members' service.

Strengthens the Defense Industrial Base. In September 2018, DOD released a whole-of-Government report titled *Assessing and Strengthening the Manufacturing and Defense Industrial Base and Supply Chain Resiliency in the United States*, pursuant to Executive Order 13806. Following through on the report's recommendations, the Budget invests \$286 million in DOD efforts to ensure a robust, resilient, secure, and ready manufacturing and defense industrial base. DOD's investments to implement this comprehensive, Government-wide effort demonstrate that manufacturing and the defense industrial base are vital not only to the Nation's economic security, but also to national security.

Reforms Business Practices for Greater Performance and Accountability. DOD continues to pursue management reforms to increase affordability and redirect savings to higher priorities. For example, DOD will continue achieving savings by reducing management overhead and the size of headquarters staff in 2020. DOD is also modernizing business processes and systems and eliminating duplication, which will yield significant savings and transparency, and improve decision support. In addition, the Department is looking holistically at contract management for services and commodities, to identify better approaches to demand management, requirements definition, and contracting strategies. DOD has also reviewed spending priorities in light of the new National Defense Strategy, and realigned funds from outdated legacy capability to better support the Department's lethality against near peer threats. In total, DOD achieved \$4.7 billion in reform savings in 2017 and 2018 and is targeting \$6 billion in savings in 2019. The objective is not simply savings over time, but a sustainable change in process and culture that will continue to ensure the most effective use of resources and increased lethality.

Audits the Department and Invests in Fixing Audit Findings. Better management begins with effective financial stewardship of taxpayer dollars. With more than \$2.6 trillion in assets spread across 24 stand-alone reporting entities, the Department's recent full financial statement audit was DOD's first comprehensive audit and the largest ever undertaken by an agency of the U.S.

Government. Under the President's leadership, DOD continues to place a high priority on performing annual financial statement audits to bolster accountability and public confidence in the Department's fiscal discipline and to modernize its business practices and systems. The Department will address findings by holding the military departments and defense agencies accountable for the development and implementation of corrective actions, with a goal of meaningful, persistent progress toward a clean audit opinion. Armed with audit findings and remediation plans, DOD will leverage better data to inform decision-making, while enhancing internal controls and business procedures to improve efficiency and effectiveness.