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House, Senate Budget Heads Want DoD Spending Increase

By JOHN T. BENNETT

WASHINGTON — The heads of the U.S. House and Senate Budget committees have little in common, and the spending plans they unveiled last week have even less in common. But buried within the dueling budget blueprints is something on which they actually agree: increasing Pentagon spending.

Republican Rep. Paul Ryan of Wisconsin, who heads the House panel, put forth a budget plan that features \$4 trillion in federal spending cuts. Democrat Sen. Patty Murray of Washington, who chairs the Senate committee, offered a plan that proposes \$975 million in spending cuts — but also an equal amount of new tax revenues.

Lawmakers on both sides of Capitol Hill agree that both budget plans are considered dead on arrival. Yet the plans reveal that old-guard veteran lawmakers in both chambers want to find a way to replace the much-maligned defense sequester cuts while also growing Pentagon spending at a higher rate than current law would allow.

Ryan's headline-grabbing House GOP plan proposes a 2014 DoD base budget totaling \$560.2 billion. In a shift from the post-9/11 era, Murray's plan actually proposes a DoD budget that would be \$18 million larger than the DoD portion of the Republican version.

The dueling plans cover a decade, with the GOP plan forecasting \$6.2 trillion in DoD spending over that period and the Democrat's plan proposing \$6 trillion, said Todd Harrison, a senior budget analyst at the Center for Strategic and Budgetary Assessments. And both plans would replace the sequester cuts with other federal spending cuts while breaching spending caps under current law.

"This level of funding in [fiscal 2014] would be an increase of 11 percent from the current level of funding assuming sequestration stays in effect for the remainder of the fiscal year," Harrison said. "That would be a massive — and unlikely — one-year budget increase."

So just what is going on?

"I think both sides are implicitly assuming they will work out a deal to turn off sequestration this year — and that is a big assumption," he said.

Some lawmakers and aides say the best bet for replacing the final nine years of the 10-year sequester will come in a "grand bargain" fiscal deal Obama wants to strike with rank-and-file Senate Republicans.

"We're the Congress," one of the GOP senators to whom Obama is talking, Sen. John McCain of Arizona, said March 14. "We can change it any time we want."

Even shy of a sequester-replacing "grand bargain," if the defense section of a compromise House-Senate budget resolution more closely resembles the Ryan or Murray plan, "it would absolutely be a great deal for the military," said Christopher Preble of the CATO Institute think tank

A key issue to monitor is whether the compromise that budget resolution leaders of both chambers say they would like to produce and vote on alters long-term spending caps made law in the 2011 Budget Control Act.

"The best deal for DoD is just an actual [2014] budget. ... DoD and industry just want clear guidance from the Congress," Preble said. "Shy of that, the question becomes are the caps the target level or is the sequester?"







Sen. Patty Murray

Lawmakers and analysts have said they expect modest Pentagon spending growth for the fore-seeable future — even if the sequestration cuts remain the law of the land.

The House and Senate are expected to vote as early as this week on a government funding measure that would keep the government open through Sept. 30. Both versions contain an identical full 2013 Pentagon spending measure that totals \$518.1 billion, meaning Ryan and Murray are proposing a year-to-year \$42.1 billion DoD budget authority increase just weeks after senior military officials warned the sequester cuts would be "ruinous" for national security.

But with conservative House Republicans likely to insist on more deep federal spending cuts in return for their support for a "grand bargain," one senior senator said that kind of DoD spending hike is unlikely.

"I think the idea that the Republicans have is that, 'We're going to be able to reduce the deficit by cutting spending, and draw a line that revenues are off the table,'" Senate Armed Services Committee Chairman Sen. Carl Levin, D-Mich., said on March 7. "Until that line is removed, you're going to see this pressure to cut more programs continue. ... I don't think the question is to cut [the defense budget] or not. The question is how."

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