



September 14, 2021

WHAT YOU NEED TO KNOW ABOUT

# The House and Senate Versions of the NDAA

## PRO POINTS

- **The House and Senate Armed Services committees** both endorsed large increases in Pentagon spending in their annual defense policy bills, but differ in their approaches to funding some major military programs.

- **The competing versions of the National Defense Authorization Act** vary in their approach to how many aircraft and ships to buy, whether to allow the Pentagon to retire some older weapons to save money, and a host of policy initiatives.

- **Lawmakers must reconcile their differences** in the coming months and pass legislation that President Joe Biden will agree to sign. The Armed Services panels' spending decisions also must be backed up by defense appropriations legislation that actually funds the Pentagon.

## HOW WE GOT HERE

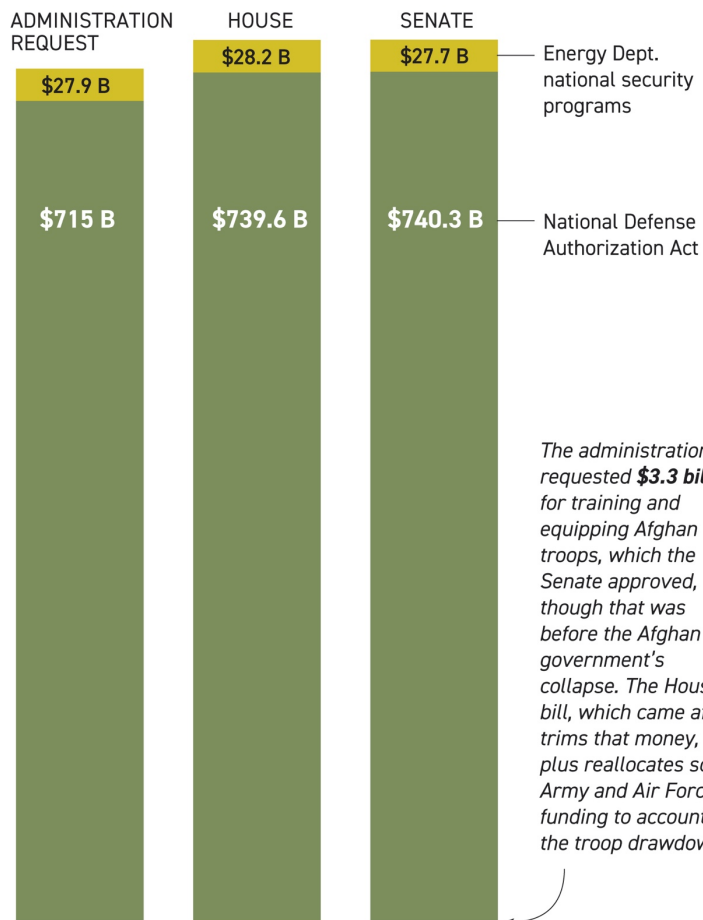
The National Defense Authorization Act, or NDAA, which authorizes military spending and sets Pentagon policy for the coming fiscal year, is one of the few major pieces of legislation that reliably becomes law each year.

Biden proposed a \$715 billion Pentagon budget for fiscal 2022, an effectively flat spending proposal compared to the previous year.

The proposal, which doesn't match the expected rate of inflation, was panned by Republicans as not enough money to tackle military challenges posed by Russia and China. GOP defense hawks instead argued for increasing the budget by 3 to 5 percent above inflation.

## House and Senate closely aligned on defense spending

FOR FY 2022, IN BILLIONS OF DOLLARS



Source: POLITICO analysis by Connor O'Brien



Progressive Democrats, meanwhile, want to hold defense spending at its current levels or slash it further to reinvest the money in other federal programs. But cuts to the defense budget haven't gained traction with many centrist Democrats who sit on the Armed Services committees.

The policy bill aims to prepare for future conflicts by boosting research and development funding. The blueprint from the administration also proposes scrapping scores of older weapons across the military to save more than \$2.8 billion and reinvest in higher priority programs, including fighter jets, drones, refueling planes and warships.

Lawmakers in both parties have chafed at some of the proposed divestments, arguing the military would give up crucial hardware it may need in a near-term conflict.

### **HIGHLIGHTS**

Both the Senate and House Armed Services committees — which debated their versions of the NDAA in July and September, respectively — endorsed boosting the Pentagon budget to approximately \$740 billion, a \$25 billion increase from Biden's proposal.

The substantial rewrite of Biden's budget received wide support among Democrats in both chambers as well as Republicans. But the House and Senate differ in how they want to see the Pentagon spend its massive budget.

The House NDAA, for instance, would add five new warships to the Navy's shipbuilding budget for a total of 13 hulls — including two extra Arleigh Burke-class destroyers, an amphibious assault ship, a fleet oiler and two expeditionary fast transports. The Senate bill, meanwhile, authorizes 10 new ships, adding a destroyer and an expeditionary fast transport.

The two panels also differ on the F-35 fighter, the Pentagon's most expensive weapons program. The House bill authorizes the 85 jets requested by the Pentagon, declining to add more amid questions over the Lockheed Martin plane's long-term sustainment costs. The Senate, meanwhile, added a half dozen planes above the budget request.

The House also doubled the Air Force's request for new Boeing F-15EX fighters from 12 to 24 jets, while the Senate bill authorizes 17.

The bills also differ on retiring major weapons platforms. Senators moved to block the Air Force from retiring up to 42 A-10 attack jets, while House Armed Services is silent on the debate. The Senate bill establishes a minimum number of C-130 transport planes the Air Force must maintain, limiting how many planes can be scrapped, while the House NDAA doesn't tackle the issue.

The two chambers will also have to iron out how to reallocate billions of dollars meant to train and equip Afghanistan's military and police. Senate Armed Services approved a \$3.3 billion Pentagon request for support for the Afghan armed forces, though the bill was approved before the Taliban toppled the government in August.

House Armed Services, which marked up its bill on Sept. 1, slashed all but \$350 million of the Afghanistan request in order to close out contracts and operations. The House policy bill also redirects more than \$4 billion from Army and Air Force operations and maintenance accounts related to operations in Afghanistan.



## Visions for weapons retirements differ between DoD, House and Senate

FOR FY 2022

PROGRAM		ADMIN. REQUEST	HOUSE NDAA	SENATE NDAA
<b>A-10 "Warthog" Thunderbolt II</b>		Retires 42 planes	No prohibition on retirement	Prohibits retirement of any A-10s
<b>Ticonderoga-class cruiser</b>		Retires seven ships	Prohibits the retirement of three cruisers	Prohibits "early retirement" of naval vessels unless Navy makes certifications to Congress
<b>Littoral combat ship</b>		Decommissions four ships	No prohibition on retirement	Prohibits "early retirement" of naval vessels unless Navy makes certifications to Congress
<b>KC-135 Stratotanker</b>		Retires 18 planes	Allows retirements	Allows retirements, prohibits reduction in aircraft by the Air National Guard
<b>KC-10 Extender</b>		Retires 14 planes	Allows retirement of up to 14 planes	Allows retirement of up to 12 planes
<b>C-130 Hercules</b>		Retires eight planes	No prohibition on retirement	Prohibits retirement below 292 planes

Source: POLITICO analysis by Connor O'Brien

### WHAT'S NEXT

The full House and Senate still must pass their versions of the defense policy bill.

Though floor debate could become contentious, both bills with increased budget top lines are likely to pass with bipartisan support.

House and Senate Armed Services leaders will then need to iron out the differences in their competing bills, including major weapons spending, retirements and dozens of policy differences.







A compromise bill also must win the support of the Biden administration, which sought to contain defense spending amid the withdrawal of troops from Afghanistan and after several years of large increases during the Trump administration.

But the NDAA only authorizes funding, and doesn't actually allocate federal dollars. Leaders of the Senate and House Appropriations committees will need to agree to compromise defense spending legislation for another Pentagon budget boost to become a reality.

### DoD, House and Senate differ on numbers for new weapons and major programs

FOR FY 2022

PROGRAM	ADMIN. REQUEST	HOUSE NDAA	SENATE NDAA
<b>F-35 Joint Strike Fighter</b> 	85 planes	85 planes	91 planes
<b>F-15EX</b> 	12 planes	24 planes	17 planes
<b>E-2D Hawkeye</b> 	5 planes	6 planes	6 planes
<b>CH-53K King Stallion</b> 	9 helicopters	9 helicopters	11 helicopters
<b>Shipbuilding</b>	8 new ships Including two attack submarines, a destroyer, a frigate, a fleet oiler	13 new ships Including three destroyers, two attack submarines, two expeditionary fast transports, two fleet oilers	10 new ships Including two attack submarines, a frigate, two destroyers, an expeditionary fast transport
<b>Hawaii missile defense radar development</b>	\$0	\$75 million	\$76 million
<b>Cooperative Threat Reduction nonproliferation program</b>	\$239.8 million	\$344.8 million	\$239.8 million
<b>Ukraine Security Assistance Initiative</b>	\$250 million	\$300 million	\$300 million

Source: POLITICO analysis by Connor O'Brien



## POWER PLAYERS

- **Rep. Adam Smith:** The House Armed Services chair opposed efforts to increase the budget top line, but ultimately lost the vote to a coalition of Republicans and centrist Democrats. Smith has also advocated allowing the Pentagon to retire older, but popular, weapons systems to invest the savings into newer technologies and capabilities. On the House floor, Smith will have to manage a Democratic caucus that is split over the defense budget.
- **Sen. Jack Reed:** The Rhode Island Democrat chairs the Senate Armed Services Committee and supported a GOP-sponsored amendment to boost the NDAA's budget top line by \$25 billion above Biden's request. Reed will be tasked with shepherding the NDAA — and its big budget boost — to passage on the Senate floor.
- **Rep. Mike Rogers:** The Alabama lawmaker is the ranking House Armed Services Republican. Rogers successfully pushed to increase the House NDAA top line by roughly \$24 billion, pouring billions into Pentagon coffers for more weapons, research and infrastructure. A top defense hawk, Rogers has pushed for the panel to focus on confronting military threats posed by China and to prioritize funding for the modernization of the entire U.S. nuclear arsenal.
- **Sen. Jim Inhofe:** The Oklahoma Republican is the ranking member on the Senate Armed Services Committee. He has pushed for increasing defense spending by 3 to 5 percent above inflation, and authored a successful proposal to add \$25 billion to the Senate defense bill's top line.
- **Reps. Barbara Lee and Mark Pocan:** The progressive Democrats co-chair a caucus aimed at slashing defense spending. The pair argues the defense budget should shrink below even what Biden requested and the money should be redirected to pressing domestic needs or other diplomatic-led efforts, such as combating the pandemic and global vaccination.