OFFICE OF THE UNDER SECRETARY OF DEFENSE (COMPTROLLER)/CHIEF FINANCIAL OFFICER

MAY 2021

Defense Budget Overview

UNITED STATES DEPARTMENT OF DEFENSE FISCAL YEAR 2022 BUDGET REQUEST

Interim National Security Strategic Guidance Renewing America's Advantages

- Emphasizes whole-of-government approach to lead from a position of strength <u>and</u> by the power of our example
 - Modernize our military capabilities, while leading first with diplomacy
 - Display global leadership and revitalize our alliances and partnerships worldwide
 - Lift up our democratic values at home and defend them around the world
- Recognizes many of the greatest threats to American prosperity and security are borderless challenges requiring collective action including
 - Climate crisis, global pandemics, cyber threats, and nuclear proliferation
- Lays framework to meet challenges posed by strategic competition
 - Shift resources from legacy and less capable platforms
 - Redirect investments in cutting-edge technologies and capabilities
- Prioritizes health of national security workforce
 - Directs DoD to ensure it's a workplace of equal opportunity and free of sexual harassment and assault
 - Emphasizes professional integrity, accountability, and transparency

Provides Strategic Direction to DoD and informs the Department's priorities

FY 2022 Budget Themes - SecDef Priorities



- Secretary Austin's Message to the Force builds on the President's Interim National Security Strategic Guidance
- Pursuit of our national security interests requires investments that target and align our priorities and capabilities to address the constantly evolving and dynamic threat landscape

We need resources matched to strategy, strategy matched to policy, and policy matched to the will of the American People

FY 2022 National Defense Budget Request

By Department/Agency	FY 2021 FY 202	
Army	174.3	172.7
Navy	207.1	211.7
Air Force	204.0	212.8
Defense-Wide	118.4	117.8
Department of Defense – Total	703.7	715.0
Department of Energy & Other Agencies	37.0	37.9
National Defense – Total	740.7	752.9

Numbers may not add due to rounding

• FY 2022 DoD budget reflects a 1.6% increase from FY 2021 enacted

- Resources matched to strategy shifting resources and aligning forces to priority theaters/regions
 - Ending the war in Afghanistan and rebalancing CENTCOM forces
 - Reallocating resources to higher priorities strategic competition, modernization
- Direct war and enduring operations costs included within base budget
 - No separate Overseas Contingency Operations (OCO) request

Invests in the People, Priorities, and Purpose of Mission that will Renew America's Advantage and support the United States efforts to advance our defense priorities

Defend the Nation

Defeat COVID-19 – Greatest proximate challenge to our Nation's Security

 Act boldly and support Federal Government efforts to defeat COVID, defend the force against it, and invest in pandemic preparedness for the future

Prioritize China as the Pacing Challenge

- Develop right operational concepts, capabilities, and plans to bolster deterrence and maintain our competitive advantage
- Utilize Pacific Deterrence Initiative (PDI) to focus and adequately resource capabilities and efforts toward the China challenge

Address Advanced and Persistent Threats

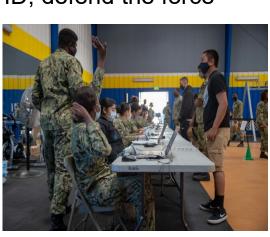
- Deter nation-state threats emanating from Russia, Iran, and North Korea
- Disrupt transnational and non-state actor threats from violent extremist organizations

Innovate and Modernize the DoD

- Innovate at speed and scale to match a dynamic threat landscape
- Divest of legacy systems and programs while investing smartly for the future
- Tackle the Climate Crisis
 - Elevate climate as a national security priority
 - Integrate climate into policy, strategy, and partner engagements

Our most solemn obligation to protect the security of the American people





Defend the Nation Pacific Deterrence Initiative (PDI)

- The FY 2022 request funds \$5.1B for PDI to maintain a conventional military advantage necessary to deter aggression in the Indo-Pacific region.
- The PDI was created in response to FY 2021 National Defense Authorization Act direction and was established to increase conventional capability and readiness, enhance U.S. deterrence and defense posture, and assure allies and partners.
- The PDI highlights specific DoD investments which will:
 - Demonstrate U.S. commitment to preserving a free and open Indo-Pacific;
 - Build forces that are resilient, ready and postured to respond quickly and effectively against aggression; and
 - Help strengthen Indo-Pacific alliances and partnerships that are central to the U.S.
 vision of a free, open, and rules-based Indo-Pacific regional order

PDI Investments by Category (\$ in billions)	FY 2022			
Force Design and posture	<\$0.1			
Exercises, Experimentation, and Innovation	\$0.2			
Joint Force Lethality	\$4.9			
Strengthening Alliances and Partnerships	<\$0.1			

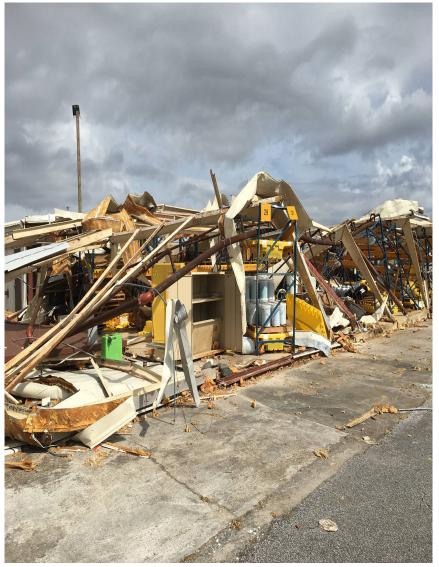


The Department will prioritize China as our number one pacing challenge

Defend the Nation Tackling the Climate Crisis

Preparing for, adapting to, and mitigating impacts of climate change

- Climate change poses unique challenges to DoD missions, facilities and operations, in addition to the security of allies and partners.
- FY 2022 request includes \$617 million of new investments across four categories --
 - Strengthening Installation Mission Resilience (\$263 million)
 - Science and Technology (S&T) (\$186 million)
 - Enhancing Capability and Leveraging DoD Buying Power (\$153 million)
 - Operational Energy Improvements (OE)
 - Installation Energy Capability (IE)
 - Modernizing Non-tactical Fleet with EVs
 - Climate-informed Wargaming, Analysis, and Contingency Planning (\$15 million)



Elevate climate as a national security priority and integrate climate considerations into our policies, strategies, and partner engagements

Innovate and Modernize Nuclear Enterprise and Missile Defeat and Defense

\$27.7 billion for Nuclear Enterprise Modernization

- Continues production of Columbia-class submarine to deliver 1st ship in 2028
- Ground Based Midcourse Defense (GBSD) and B-21 programs on track to meet initial fielding dates
- Recapitalizes key Nuclear Command, Control, and Communications (NC3) systems

• \$20.4 billion for Missile Defeat and Defense

- Develops Next Generation Interceptor for Ground-Based Midcourse Defense
- New Terminal High-Altitude Area Defense interceptor, leading to FY23 flight test
- Strengthens regional missile defense network with Patriot Missiles, Lower Tier Air and Missile Defense System, and Short Range Air Defense Battalions

Modernize and recapitalize the nuclear triad to reduce transition risk and support Nuclear Posture Review initiatives



Nuclear capabilities are the bedrock of American defense and will remain so...

Innovate and Modernize Long Range Fires

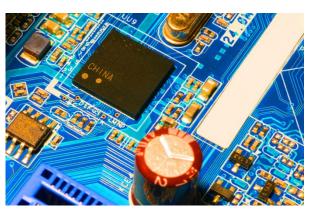
- \$6.6 billion to develop and field multi-Service, multi-domain offensive Long Range Fires
 - Field Hypersonic Weapons within the FYDP
 - Air: Test and produces Hypersonic Missile by FY22
 - Land: Field Hypersonic Missile Battery by FY23
 - Maritime: Field Hypersonic Missiles on DDG1000 in FY25
 - Expand Capacity of Survivable Weapons for New and Existing Launch Platforms
 - Air: Max JASSM-ER/LRASM procurement
 - Land: Ground Launch Cruise Missile Batteries by FY23
 - Maritime: Increase survivability and capacity of Tomahawk and Standard Missile-6 (SM-6)



Provide forces with the ability to strike deep, time-sensitive targets and deter adversaries

Innovate and Modernize S&T and Advanced Capability Enablers

- \$112.0 billion RDT&E budget is the largest ever
 - Increases 5.1% over FY 2021 request
- Science & Technology: \$14.7 billion
 - 4.1 percent increase over FY 2021 request
 - Maintains Basic Research at \$2.3 billion
- Microelectronics: \$2.3 billion
 - Improves assurance, availability, and access to advanced capability microelectronics
- Artificial Intelligence (AI): \$874 million
 - Maintains AI as a top technology modernization priority
 - Over 600 AI efforts now underway
- 5G: \$398 million
 - Leverages 5G technologies and networks for military applications







Innovate at speed and scale to match the dynamic threat landscape

Innovate and Modernize Lethal Air, Combat Effective Naval, and Ground Forces

- \$52.4 billion for Lethal Air Forces
 - Procures and modernizes mix of 4th & 5th Generation fighters
 - Develops 6th Generation TACAIR capability
 - Continues tanker recapitalization plan (KC-10/135 to KC-46)

• \$34.6 billion for Combat Effective Naval Forces

- Develops and produces balanced, hybrid fleet of manned and unmanned platforms
 - 8 Battle Force Ships: 1x DDG, 1x Frigate, and 2x Virginia-class submarines
 - Matures Unmanned Undersea Vehicle technology for FY23
 production
- Develops future stand-in, expeditionary Marine forces
- Recapitalizes the naval combat logistics force
- \$12.3 billion for Ground Forces
 - Procures and fields Precision Strike Missile to replace legacy ATACMS missiles
 - Fields Next Generation Squad Weapon to 1st units in FY22
 - Develops and procures next generation combat vehicles







Fields combat credible platforms in relevant quantities

Innovate and Modernize Space and Space-Based Systems

- \$20.6 billion in vital space capabilities, resilient architectures, and enhanced space command and control to ensure the Joint Force prevails in a global, all-domain fight
- Procures and modernizes capabilities to secure the use of space in the face of increasing threats to US national security space systems
 - Missile Warning: \$2.6 billion increase to Next-Gen OPIR development
 - \$1.8 billion for Position, Navigation, and Timing funds procurement of 2 GPS III Follow-On satellites & accelerates hardening of PNT signals to protect against jamming
 - Space Launch: \$1.7 billion to fund 5 launch vehicles
 - Resilient Architectures: \$936.7 million for SDA -- funds aggressive development of proliferated LEO solutions, including data transport and missile warning





Invests in next-generation space domain capabilities to secure an enduring competitive advantage

Innovate and Modernize Cyberspace Activities

Key portfolios of DoD Cyberspace Activities:

- <u>Cybersecurity</u> Securing the DoD Information Network
- <u>Cyberspace Operations</u> Cyber Collection/Intelligence, Offensive/Defensive Cyber Operations, Cyber Mission Forces, and infrastructure supporting Cyber Operations
- <u>R&D in support of Cyber</u> Research and Development in support of Cybersecurity and Cyberspace Operations



\$10.4 billion committed to cyberspace activities in FY 2022

- Increases capabilities in Identity, Credential and Access Management (ICAM), Comply-to-Connect (C2C), and Automated Continuous Endpoint Monitoring (ACEM) to accelerate a Zero Trust framework.
- Provides improved integrated cyber capabilities that support Combatant Commander military Cyber operations and contingencies.
- More effective risk mediation activities focused on critical infrastructure vulnerabilities and the Defense Industrial Base (DIB).
- Grows the Cyber Mission Force from 133 to 137 (+4) Teams.
- Continues development of the Joint Cyber Warfighting Architecture (JCWA) that will provide secure connect and integrated information/capabilities to the Cyber Mission Forces.

Ensuring delivery of Cyber capabilities at the speed of need

Innovate and Modernize Divestments

- \$2.8 billion in divestments of older and less-capable platforms and programs that no longer meet mission and/or security needs
 - To address the dynamic threat landscape, the Department must divest of outdated systems and programs and to invest in cutting-edge technologies and capabilities
 - The Services and USSOCOM are realigning resources to match strategy, including focused divestment of ships, aviation, and information technology
 - FY 2022 builds on FY 2020 and FY 2021 initiatives through targeted divestment of:
 - Army (\$47.8M): Divests night vision imaging system, missile launcher, electronic warfare, & IT
 - Navy (\$1.3B): Decommissions ships (CG, LSD, LCS) and divests aircraft (F/A-18 A-D, RQ-21)
 - Air Force (\$1.4B): Divests aircraft (A-10, F-15 C/D, F-16 C/D, KC-135, KC-10, C-130H, E-8, RQ-4)
 - USSOCOM (\$117.9M): Divests intelligence, surveillance, and reconnaissance (ISR)
- Divestment decisions are rigorously reviewed, analyzed, and debated to ensure we retain the capabilities needed to be ready to fight tonight, while investing smartly for the future
- The Department will partner with Congress to balance the need to modernize to address developing threats while sustaining critical industrial base capabilities

Redirecting resources to top priority programs, platforms, and systems

Maintain and Enhance Military Readiness

- Sustains readiness gains and enhances capabilities across the Services and USSOCOM (\$122.1 billion)
 - Army (\$27.8 billion): Funds ground and air readiness objectives, installation support, decisive action training, and support to allies and partners
 - Navy (\$48.5 billion): Funds Navy depot maintenance, ship and aircraft operations, and integrated training exercises. Funds Marine Corps advance warfighting, including ground and air readiness, infrastructure, and training exercises
 - Air Force (\$36.5 billion): Funds Weapons System Sustainment and flying hours to maintain readiness, analytics to reduce sustainment cost, and full-spectrum training exercises. Funds Space Force launch operations, depot maintenance, and early warning capabilities
 - USSOCOM (\$9.4 billion): Funds modernized ranges and simulators, full-spectrum SOF exercises, and invests in artificial intelligence to speed analysis
- Execute POTUS direction on Afghanistan drawdown
 - Rebalance Joint Force presence responsive to global threats.
 - Resource Combatant Command and Joint Force requirements consistent with SecDef Directed Readiness



Builds on current readiness gains and modernizes for the future fight

Take Care of Our People

SD Message: *Our most critical asset as a Department is our people*. To remain the preeminent fighting force in the world, we <u>must</u> –

- Grow our Talent invest in education and training and create new opportunities for advancement
- Build Resilience and Force Readiness embrace a diversity of backgrounds, experiences, and thought; building equity and inclusion in everything we do
- Ensure Accountable Leadership build a safe environment for our people and show swift and clear accountability to anyone who does not act within the highest standards of the Department

Competitive Compensation and Benefits:

- Includes 2.7% pay raise for both military and civilian personnel
- Sustains family support initiatives invests \$8.6 billion
 - Professional development and education opportunities for Service members and military spouses
 - Quality, affordable child development programs for over 160K children and youth programs serving over 1 million family members
 - DoD Dependent Schools educating over 74K students







Retains the force as we build opportunities for growth and development

Take Care of Our People (continued)

Facilities Investment

- Prioritizes investment in construction, improvement, and maintenance for operational and support facilities
- Requests 17 percent increase above FY 2021 appropriated levels for Military Construction to support operational facilities, global defense posture initiatives, and a more efficient and productive infrastructure footprint
- Supports enhanced operational readiness via \$1 billion increase for critical facilities sustainment, repair, and modernization efforts
- Fully funds executable remediation efforts for Per- and Polyfluroalkyl Substances (PFAS) at former DoD locations closed through Base Realignment and Closure efforts
- Reinforces the Department's commitment to provide safe and quality residences to Service Members and their families
 - Continues focus on implementing actions to improve the quality of both privatized and government owned family housing
 - Builds on last year's family housing funding increases to enable further housing oversight, construction, and maintenance







Investing in facilities improvement and high-quality housing to ensure our people can serve safely and effectively

Succeed Through Teamwork

• Join Forces with our Allies and Partners

- SD focus on "integrated deterrence" -- U.S. military to buttress diplomacy and advance a foreign policy that employs all instruments of our national power
- Prioritize rebuilding our mutually beneficial defense relationships around the world to maintain U.S. military's competitive edge far from American shores
 - Build partner nation capacity and increase interoperability
 - Embrace international cooperation toward a better, safer, more resilient, more prosperous world

Work in Partnership with Our Nation

- The Department will help America Build Back Better by investing in critical supply chains, the US manufacturing workforce, small businesses, and military families
 - \$341 million Defense Production Act request to partner with U.S. companies to boost Defense Industrial Base and bring critical supply chains back to the U.S. including rare earth elements and microelectronics
 - \$617 million of new climate investments will accelerate DoD's response to this national security priority that effects nearly every aspect of the Department's missions, facilities, and operations
 - Global Health and medical research investments to fight COVID and prepare for future pandemics

Build Unity Within the DoD

 Demonstrate teamwork at highest levels of the Department and expect it across every level

Lead not merely by the example of our power but by the power of our example

FY 2022 PB - Military End Strength

Military Component	FY 2020 Actual	FY 2021 Authorized	FY 2021 Projected	FY 2022 Request	∆ FY21 Proj. To FY22 Req.
Active Components (AC)					
Army	485,383	485,900	486,000	485,000	(1,000)
Navy	346,520	347,800	348,359	346,200	(2,159)
Marine Corps	180,958	181,200	181,204	178,500	(2,704)
Air Force	333,705	327,041	329,051	328,300	(751)
Space Force	85	6,434	6,434	8,400	1,966
Total AC	1,346,651	1,348,375	1,351,048	1,346,400	(4,648)
Reserve Components (RC)					
Army Reserve	188,703	189,800	189,800	189,500	(300)
Navy Reserve	59,152	58,800	58,970	58,600	(370)
Marine Corps Reserve	35,501	38,500	36,239	36,800	561
Air Force Reserve	69,056	70,300	70,604	70,300	(304)
Army National Guard	336,129	336,500	336,500	336,000	(500)
Air National Guard	107,414	108,100	108,100	108,300	200
Total RC	795,955	802,000	800,213	799,500	(713)
Army	1,010,215	1,012,200	1,012,300	1,010,500	(1,800)
Navy	405,672	406,600	407,329	404,800	(2,529)
Marine Corps	216,459	219,700	217,443	215,300	(2,143)
Air Force	510,175	505,441	507,755	506,900	(855)
Space Force	85	6,434	6,434	8,400	1,966
Total AC + RC	2,142,606	2,150,375	2,151,261	2,145,900	(5,361)

Resources Matched to Strategy

Flat End Strength Driven by Divestments -- Focus on the Future Fight

Major Investments in the FY 2022 Budget

	FY 2020 Actual		FY 2021 Enacted		FY 2022 Reque	
	Qty	\$B	Qty	\$B	Qty	\$B
Nuclear Deterrence						
B-21 Long Range Strike Bomber (Air Force)	-	\$2.9	-	\$2.8	-	\$3.0
COLUMBIA Class Ballistic Missile Submarine	-	\$2.3	1	\$4.5		\$5.0
Long-Range Stand-Off (LRSO) Missile (Air Force)	-	\$0.7	-	\$0.4	-	\$0.6
Ground Based Strategic Deterrent (GBSD) (Air Force)	-	\$0.5	-	\$1.4	-	\$2.6
Missile Defeat and Defense Programs						
Sea-Based Interceptors (SM-3 IIA and SM-3 IB)	39	\$0.7	49	\$0.7	48	\$0.6
Sea-Based Ballistic Missile Defense System (Aegis BMD)	-	\$1.1	-	\$1.1	-	\$1.0
Ground-Based Midcourse (GMD) and Improved Homeland Defense/Next Generation Interceptors (NGI)	-	\$2.2	-	\$2.3	-	\$1.7
Terminal High Altitude Area Defense (THAAD) Ballistic Missile Defense Procurement	39	\$0.7	39	\$0.9	18	\$0.6
Patriot Advanced Capability (PAC-3) Missile Segment Enhancement (MSE) Procurement	156	\$0.7	177	\$0.7	180	\$0.8

Includes Procurement and Research, Development, Test and Evaluation (RDT&E) funding/quantities

Numbers may not add due to rounding

Supports the Nuclear TRIAD and Missile Defense Review priorities

Major Investments in the FY 2022 Budget

	FY 20	FY 2020 Actual		FY 2021 Enacted		Request
	Qty	\$B	Qty	\$B	Qty	\$B
Aircraft						
F-35 Joint Strike Fighter (Air Force, Marine Corps, Navy)	96	\$12.2	96	\$12.9	85	\$12.0
KC-46 Pegasus (Air Force)	12	\$2.2	15	\$2.7	14	\$2.5
F/A-18E/F Super Hornet (Navy)	24	\$1.9	24	\$1.9	-	\$0.3
AH-64E Apache Attack Helicopter (Army)	49	\$1.1	52	\$1.2	30	\$0.8
VH-92 Presidential Helicopter (Marine Corps)	6	\$0.8	5	\$0.7	-	\$0.1
P-8A Poseidon (Navy)	8	\$1.6	9	\$1.8	-	\$0.2
CH-53K King Stallion (Marine Corps)	6	\$1.6	9	\$1.7	9	\$1.7
F-15EX (Air Force)	8	\$1.1	12	\$1.5	12	\$1.5
Shipbuilding	·				·	
COLUMBIA Class Ballistic Missile Submarine	-	\$2.3	1	\$4.5	-	\$5.0
CVN-78 FORD Class Aircraft Carrier	1	\$2.5	-	\$2.9	-	\$2.9
VIRGINIA Class Submarine	2	\$8.8	2	\$7.2	2	\$6.9
DDG-51 ARLEIGH BURKE Class Destroyers	3	\$6.1	2	\$3.8	1	\$2.4
Frigate (FFG(X))	1	\$1.3	1	\$1.1	1	\$1.3
Landing Platform Dock Ship (LPD)	-	\$0.6	1	\$1.2	-	\$0.2
Fleet Replenishment Oiler (T-AO)	2	\$1.1	-	\$0.1	1	\$0.9
Expeditionary Fast Transport (EPF)	-	-	1	\$0.3	-	-
Unmanned Surface Vessels (USV) (Large)	-	\$0.4	-	\$0.1	-	\$0.2
Towing, Salvage, and Rescue Ship (T-ATS)	2	\$0.2	2	\$0.2	2	\$0.2
Ocean Surveillance Ship (T-AGOX(X))	-	-	-	-	1	\$0.4

Includes Procurement and Research, Development, Test and Evaluation (RDT&E) funding/quantities

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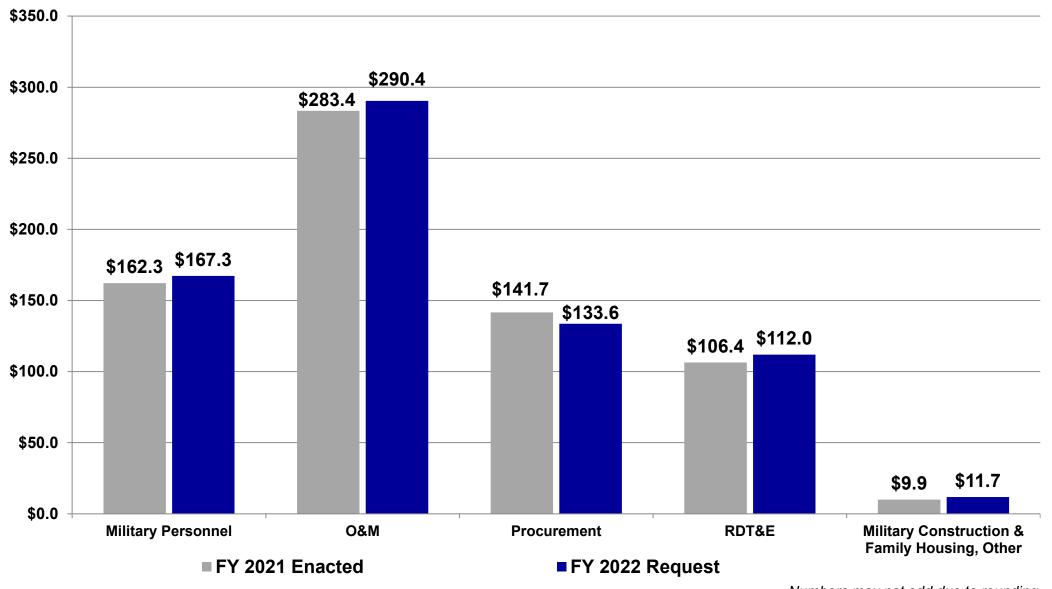
Major Investments in the FY 2022 Budget

	FY 2020 Actual		FY 2021 Enacted		FY 2022 Reques	
	Qty	\$B	Qty	\$B	Qty	\$B
Space						
Launch Vehicles - National Security Space Launch (NSSL) and Rocket System Launch Program (RSLP) (USSF, SDA)	5	\$1.7	3	\$1.6	5	\$1.7
Global Positioning System (GPS) Enterprise (USSF & Navy)	1	\$1.7	2	\$1.8	2	\$1.8
Space Based Overhead Persistent Infrared (OPIR) Systems (USSF)		\$1.7	-	\$2.5	-	\$2.6
Ground Systems			•			
Joint Light Tactical Vehicle (Army, Marine Corps, Air Force)	5,230	\$1.7	3,959	\$1.4	3,799	\$1.1
M-1 Abrams Tank Modifications/Upgrades (Army)	171	\$2.2	102	\$1.4	70	\$1.0
Amphibious Combat Vehicle (Marine Corps)	56	\$0.4	72	\$0.5	92	\$0.6
Armored Multi-Purpose Vehicle (Army)	86	\$0.5	-	\$0.1	-	\$0.1
Munitions						
Joint Direct Attack Munition (JDAM) (Navy, Air Force)	28,022	\$1.1	20,071	\$0.5	4,890	\$0.2
Guided Multiple Launch Rocket System (GMLRS) (Army, USMC)	8,190	\$1.3	6,524	\$1.1	6,471	\$1.1
Standard Missile-6 (SM-6) (Navy)	125	\$0.7	125	\$0.8	125	\$0.9
Small Diameter Bomb II (SDB II) (Navy, Air Force)	1,209	\$0.4	991	\$0.3	1,165	\$0.4
Hellfire Missile (Army, Navy, Air Force)	8,469	\$0.7	8,130	\$0.5	2,098	\$0.2
Joint Air-to-Surface Standoff Missile (JASSM) (Air Force)	390	\$0.6	400	\$0.6	525	\$0.8
Long Range Anti-Ship Missile (LRASM) (Air Force, Navy)	17	\$0.2	48	\$0.2	48	\$0.3

Includes Procurement and Research, Development, Test and Evaluation (RDT&E) funding/quantities

Numbers may not add due to rounding

FY 2021 and FY 2022 Total Funding by Appropriation Title



Numbers may not add due to rounding

FY 2022 Request: \$715 billion

For More Information

- Visit the website for the Office of the Under Secretary of Defense (Comptroller) at
 - https://www.defense.gov/cj
 - Download the Department of Defense's FY 2022 Budget Request

