

Congress Passes FY 2015 Funding – Defense Highlights

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The U.S. Congress passed an omnibus funding bill for the remainder of fiscal year (FY) 2015 that includes \$1.1 trillion in total in discretionary federal funds, roughly half of which goes to the Department of Defense (DoD).

Federal News Radio [reported](#) that the Senate voted 56-40 late Saturday for the bill that will fund most agencies through September, the end of FY 2015. The House of Representatives had voted two days earlier on the spending measure, passing it 219-206.

The [final bill](#) removes concerns over the possibility of government shutdowns for the rest of the fiscal year and address funding for each of the agencies covered under the twelve individual appropriations bills that traditionally make their way through Congress. The only exception in full-year funding is the Department of Homeland Security, which is funded by at continuing resolution (CR) levels through Feb. 27, 2015, due to congressional concerns over White House immigration plans. Future funding will be taken up by the next Congress.

Department of Defense

This omnibus provides total FY 2015 funding for DoD set at \$553.9B – about 50% of the \$1.1 trillion bill – including \$490.2B in base budget and \$63.7B for Overseas Contingency Operations (OCO). The \$490.2B base budget is \$3.3B more than the enacted FY 2014 base level of \$486.9, but \$5.4B less than the president's FY 2015 budget request of \$495.6B.

The following is a high-level breakout of the funding levels provided for DoD in the Consolidated and Further Continuing Appropriations Act, 2015.

Department/Area	FY 2015 Request	FY 2015 Omnibus
Defense-Wide		
O&M	\$31.2B	\$31.0B
Procurement	\$4.2B	\$4.4B
RDT&E	\$16.8B	\$17.2B
Air Force		
MILPERS	\$27.8B	\$27.4B
O&M	\$35.3B	\$34.5B
Procurement	\$33.5B	\$34B
RDT&E	\$23.7B	\$23.6B
Army		
MILPERS	\$41.2B	\$41.1B
O&M	\$33.2B	\$32B
Procurement	\$13.5B	\$13.9B
RDT&E	\$6.6B	\$6.7B
Navy		
MILPERS	\$27.5B	\$27.5B
O&M	\$39.3B	\$37.6B
Procurement	\$34.4B	\$41.3B
RDT&E	\$16.3B	\$16B
Marines		
MILPERS	\$12.9B	\$12.8B
O&M	\$6.0B	\$5.6B
Procurement	\$983M	\$935M
Total*	\$495.6B	\$490.2B

*Total includes additional funding beyond the categories above.

Department of Defense Observations

Procurement

- Overall – \$93.8B up just \$900M from FY 2014 enacted level and \$4.1M over the FY 2015 budget request
- Defense-wide Chem-Bio Situational Awareness – \$184M in procurement, up \$14M over request
- Navy CANES – \$336M, down \$22M from request of \$358M due to delays and NGEN ES is set at \$106M, off \$10M from the FY 2015 request due to tech refresh growth, in procurement budget
- Air Force GPS III Space Segment – \$87M, up \$30M from budget request to fund advance procurement
- Air Force AFNET transfers \$15.6M to the Information Transport System program; AFNET budget was reduced an additional \$15.6M
- Air Force Mobility Equipment – \$13M, a marginal \$2.5M increase over budget request
- Information Systems Security Program -- \$33M increase over president's FY 2015 request – \$20M in Procurement budget, \$13M

~ more in RDT&E

RDT&E

- Overall – \$63.7B, \$700m over the FY 2014 enacted level and \$179M more than requested
- Defense-wide – \$225M for the new Defense Rapid Innovation Fund
- DoD High Performance Computing Modernization Program – \$221.6M, \$40M more and a 22% increase over the FY 2015 president's request
- Navy University Research Initiatives – \$134M, a \$20M increase over budget request
- Navy Defense Research Sciences Program – \$497M, an increase of \$53.5M over budget request
- Navy New Design SSN – \$88M with a \$15M increase for small business tech insertion
- Army Integrated Military Human Resources System, \$68.5M, a \$70M reduction from the \$138M budget request

O&M

- Overall – \$161.7B, up from the FY 2014 enacted level of \$160B, but down \$4.3B from the \$166B request
- Defense Logistics Agency - \$385.4M, an addition of \$12M over the budget request of \$381.5M for DLA's Procurement Technical Assistance program
- \$10M for insider threat detection enhancements
- Marine Corps Facilities Sustainment, Restoration, and Modernization - \$631M, an addition of \$57.4M over requested budget.
- Air Force Facilities Sustainment, Restoration, and Modernization - \$1.45B (15 Req.), \$1.6B (15 Omnibus). \$145M increase.
- Army Facilities, Sustainment, Restoration, and Modernization Budget - \$2.4B, \$400M over \$2B request
- Army Service-Wide Communications Budget - \$1.6M, a \$13M reduction from budget request attributable to less funding needed than assumed for the Integrated Personnel and Pay – Army (IPPS-A) program

The FY 2015 [National Defense Authorization Act](#) (NDAA) that was [passed by both the House and Senate](#) around the same time as the omnibus had authorized \$521.3B in base discretionary spending, but Congress ultimately provided \$31.1B less in actual funding in the Omnibus appropriations. See a previous entry for [more information on the NDAA](#) and its IT management and acquisitions implications.

Check out our [Civilian Highlights in the FY 2015 Omnibus](#).

Fellow GovWin Federal Industry Analysis (FIA) analyst Alex Rossino contributed to this entry.