

EXECUTIVE OFFICE OF THE PRESIDENT OFFICE OF MANAGEMENT AND BUDGET WASHINGTON, D.C. 20503

May 8, 2019

The Honorable Nita Lowey Chairwoman Committee on Appropriations U.S. House of Representatives Washington, DC 20515

Dear Chairwoman Lowey:

On May 1, 2019, the Military Construction, Veterans Affairs, and Related Agencies Subcommittee considered the fiscal year (FY) 2020 Military Construction, Veterans Affairs, and Related Agencies Appropriations bill. We are strongly opposed to the budgetary framework that underlies this and other appropriations bills being considered by the Appropriations Committee. In advance of Full Committee consideration of this bill, I would like to take this opportunity to share both these overall concerns as well as specific concerns related to this bill.

The Military Construction, Veterans Affairs, and Related Agencies Appropriations bill is one of the first bills being considered under House Democrats' budget framework, which would raise the discretionary spending caps by more than \$350 billion in FYs 2020 and 2021 and does not reflect a House-passed budget resolution or a bipartisan, bicameral agreement. This would put the Federal Government on track to add nearly \$2 trillion to deficits over 10 years, while the national debt is already above \$22 trillion and rising.

In addition, the House Democrats' framework continues the misguided notion that increases to defense spending must be matched or exceeded by increases to non-defense spending. The bills under consideration actually provide more than twice as much additional funding in FY 2020 for non-defense programs than for defense programs, relative to FY 2019 levels. Investing in our national security remains a key Administration priority, but ensuring our defense does not require additional non-defense discretionary funding.

Excessive deficits continue to threaten the Nation's progress, and without action to restore the proper size and role of Government, deficits will remain over a trillion dollars per year for the foreseeable future. The President's FY 2020 Budget provides the Congress with a clear roadmap for bringing Federal spending under control. It proposes more spending reductions than any other administration has proposed in history, while providing necessary funding for defense, national security, and other critical needs. Importantly, the Budget protects these key priorities while adhering to the discretionary spending caps in current law. The Congress must do the same.

Overall, according to information provided in the Subcommittee press release, the bill appears to decrease funding by about \$6.2 billion, or nearly five percent below the FY 2020 Budget request.

The Administration appreciates that the Subcommittee bill includes funding for critical priorities, including the construction of facilities to enable our military to fight current and emerging threats, as well as the \$2 billion requested to support military construction requirements for Department of Defense (DOD) installations damaged by Hurricanes Michael and Florence.

In addition, the Administration appreciates the Subcommittee's robust funding level of \$94.3 billion in discretionary appropriations for the Department of Veterans Affairs (VA). This level fully supports the Administration's highest priorities for veterans' healthcare, including implementation of the new VA MISSION Act of 2018 programs for community care, urgent care, and Caregivers. However, the Administration understands that the House Majority intends to provide this funding outside of the statutory non-defense discretionary spending cap, which the Administration would strongly oppose. All funding for the VA MISSION Act of 2018 should be included within the FY 2020 non-defense discretionary cap.

However, the bill underfunds key investments in critical areas supported in the FY 2020 Budget request. Most notably, the bill does not provide any of the \$7.2 billion requested to support DOD's border-related military construction requirements, including the \$3.6 billion to restore funding to any projects impacted by the repurposing of funds pursuant to section 2808 of title 10, United States Code.

In addition, the bill includes language in section 612 that prohibits the use of FY 2020 or prior-year military construction funding to design, construct, or carry out projects along the southern border. The situation at the border presents a humanitarian crisis that threatens homeland security. This funding is vital to build the border barriers needed to support the use of the Armed Forces who are currently assisting the Department of Homeland Security (DHS) to secure and manage the southern border. Physical barriers impede the flow of illegal crossings, drugs, and other contraband, and therefore make DHS efforts at the border more effective.

As the Committee takes up the Military Construction, Veterans Affairs, and Related Agencies Appropriations Subcommittee bill, the Administration looks forward to working with you to address these concerns.

Sincerely,

Russell T. Vought Acting Director

cc: The Honorable Debbie Wasserman Schultz The Honorable John Carter

Identical Letter Sent to the Honorable Kay Granger