

Department of Defense Appeals

Department of Defense Appropriations

FY 2018

February 2, 2018

Office of the Under Secretary of Defense (Comptroller)
Budget & Appropriations Affairs Directorate
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February 2, 2018

Afghanistan Security Forces Fund (ASFF)

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**Department of Defense Budgetary Appeal
FY 2018 Department of Defense Appropriations Bill**

Subject: Afghanistan Security Force Fund (ASFF)

Appeal Citation: H.R. 3219, sec. 9019, pg. 165, 314; H. Rpt. 115-219, pp. 314, 317; S. JES, pp. 243, 254, 255

Appropriations: Afghanistan Security Forces Fund; National Guard and Reserve Equipment, (OCO); Operation and Maintenance National Defense Restoration Fund (OCO)

Summary: The Senate recommends a Fiscal Year (FY) 2018 ASFF appropriation of \$4.2 billion. This is a reduction of \$758.7 million below the budget estimate. The Senate reduced the FY 2018 ASFF budget due mostly to perceived excess forward financing and insufficient budget justification. The House had no similar provision. Rather, the House recommends a \$100.0 million rescission to FY 2017 ASFF.

Budget Authority
(Dollars in Millions)

<u>Item</u>	<u>Budget</u>	<u>House</u>	<u>Senate</u>	<u>House Appeal</u>	<u>Senate Appeal</u>
Sustainment: Excess forward financing: Light Air Sustainment; Excess forward financing: Other Aircraft Sustainment; Insufficient budget justification: Rotary-Wing Aircraft Sustainment; Insufficient budget justification: Special Mission Wing Aircraft Sustainment; Insufficient budget justification: ANA Combat Force Sustainment; Excess forward financing: Secure Communications; Excess forward financing: Night Vision Device Maintenance; and Unjustified growth: Site Improvement and Minor Construction (Afghanistan Security Forces, H. Rpt. 115-219, pg. 314, Senate JES, pg. 243)	\$2,660.9	\$2,660.9	\$2,268.4	\$2,660.9	\$2,660.9
Equipment and Transportation: Insufficient budget justification: Rotary-wing aircraft (Afghanistan Security Forces, H. Rpt. 115-219, pg. 314, Senate JES, pg. 243)	\$684.7	\$684.7	\$487.3	\$684.7	\$684.7
Training and Operations: Insufficient budget justification: Out of Country Fixed-wing Pilot Training; Insufficient budget justification: ASFF Training Program; Unjustified growth: MOD Advisors (Afghanistan Security Forces, H. Rpt. 115-219, pg. 314, Senate JES, pg. 243)	\$405.1	\$405.1	\$368.1	\$405.1	\$405.1
Sustainment: Unjustified growth: Police Salaries; Contract savings: National Maintenance Strategy (Afghanistan Security Forces, H. Rpt. 115-219, pg. 314, Senate JES, pg. 243)	\$955.6	\$955.6	\$823.9	\$955.6	\$955.6

Budget Authority
(Dollars in Millions)

<u>Item</u>	<u>Budget</u>	<u>House</u>	<u>Senate</u>	<u>House Appeal</u>	<u>Senate Appeal</u>
Rescission (Afghanistan Security Forces, H. R. 3219, sec. 9019, pg. 165)	\$0.0	-\$100.0	\$0.0	\$0.0	\$0.0
Offset - National Guard and Reserve Equipment, OCO (National Guard and Reserve Equipment, Senate JES, pg. 254, 255)	\$0.0	\$0.0	\$1,500.0	\$0.0	\$741.4
Offset - Operation and Maintenance National Defense Restoration Fund (OCO) (H. Rpt. 115-219, pg. 317)	\$0.0	\$2,000.0	\$0.0	\$1,900.0	\$0.0

DoD Position/Impact: The Department strongly objects to the Senate reduction of \$758.7 million for the FY 2018 Afghanistan Security Forces Fund (ASFF) and to the House rescission of \$100.0 million for the FY 2017 ASFF because the reductions, particularly the Senate marks, would severely hinder the President's new South Asia Strategy and the Afghanistan National Defense and Security Forces (ANDSF) Roadmap. The reductions place the strategy and roadmap at risk by underfunding essential mission elements – the Afghan Special Security Forces (ASSF) and the Afghan Air Force (AAF) – each critical to increasing the offensive capability of the ANDSF by expanding the ASSF and building AAF combat power. The funding gap created by these reductions will reduce the ANDSF's fighting capabilities and jeopardize U.S. and Afghan operational gains and successes earned in the past years, in addition to, disrupting and slowing the growth and training of Special Forces personnel and accelerating the delivery of U.S. made UH-60 aircraft to enable the divestment of Russian made Mi-17 aircraft, this will derail the resourcing of critical reforms to professionalize the ANDSF, improve the quality and commitment of its leadership, and relentlessly attack corruption, which in totality will result in increased success on the battlefield. The proposed ASFF reduction threatens the increase in the offensive capability of the ASSF, which would take place over this next year, and is critical to expand the Afghan government control across more of the country and ensure the safety and security to the Afghan population. Further, the Senate recommends reducing funding necessary to modernize the AAF, which disrupts efforts begun in FY 2017 to address lift and aerial fires capability shortfalls by transitioning the rotary wing fleet from Russian-manufactured helicopters to U.S.-manufactured UH-60 helicopters and expanding the fixed wing fleet. Any delays to this plan will increase costs, require sustained levels of U.S. support, and decrease airlift and aerial fires capabilities, while the AAF would remain reliant on Russian-made equipment. Currently, Congress prohibits the Department from procuring the parts to overhaul the Mi-17s. Such a significant underfunding of the second year of a multi-year procurement and sustainment transition plan will accelerate rather than reverse the decline of Afghan aviation capability by requiring the ANDSF to overuse existing aircraft and would jeopardize attainment of U.S. goals in Afghanistan.

The additional \$1.5 billion added by the Senate for the National Guard and Reserve Equipment program is not required. The restoration of the \$758.7 million in ASFF has a direct correlation to the operational readiness of the ANDSF and the effectiveness of the U.S. mission in Afghanistan and is a much higher priority and operational necessity than added equipment for the National Guard and Reserve. The Department strongly recommends \$758.7 million for the Senate be redirected from the congressional add enhancement to restore the ASFF program's congressional mark.

The additional \$2.0 billion added by the House for the Operation and Maintenance National Defense Restoration Fund (OCO) is available to implement the National Defense Strategy and improve military

readiness. Restoring the \$100.0 million rescission to ASFF has a direct correlation to the operational readiness of the ANDSF and the effectiveness of the U.S. mission in Afghanistan and is a much higher priority and operational necessity. The Department strongly recommends \$100.0 million for the House be redirected from the House added National Defense Restoration Fund to restore the ASFF program's congressional mark.

The Department urges the conferees to support the President's Budget request of \$4.9 billion for the FY 2018 ASFF and to abstain from rescinding prior-year funds. Increases to overall funding appropriation levels associated with this appeal are offset from lower priority activities, to keep the overall appropriation funding levels within the FY 2018 security caps of the Bipartisan Budget Act of 2015.