



An Open Letter to Appropriators in Congress: End the Budget Gimmicks and Cut the Pentagon's Slush Fund February 6, 2014

We are writing you today as a diverse coalition of organizations to express our shared disappointment at the continued use of a “slush fund” to circumvent the very spending caps that Congress itself put in place. Specifically, we are deeply concerned that the recently enacted omnibus appropriations bill (H.R. 3547, the Consolidated Appropriations Act of 2014) shifted more than \$10 billion from the Pentagon’s base budget accounts into the Overseas Contingency Operations (OCO) account.

Since 2002, the Pentagon has separated funding relating to the wars in Afghanistan and Iraq and counterterrorism activities from other military programs not associated with U.S. contingency operations. With the United States drawing down its military presence in Iraq and Afghanistan, it is time to end use of the OCO account. This would enhance transparency and accountability in the military budgeting process and help restore much needed fiscal restraint at the Pentagon.

As you know, in 2011, Congress enacted the Budget Control Act (BCA) to constrain spending and reduce the size of the budget deficit over the coming decade. But, a significant loophole in the law has allowed the Pentagon to escape some of the budget pressure mandated by the BCA. Late last year, Congress passed the Ryan-Murray Budget Deal (Bipartisan Budget Act of 2013), which increased the defense spending cap to \$520.5 billion. However, this revised spending cap still required that Congress find \$30 billion in additional savings from the Pentagon’s Fiscal Year 2014 budget request.

Unfortunately, one of the ways that Congress met the new cap was by shifting more than \$10 billion from the Pentagon’s base accounts into the OCO account, representing an end-run around the new spending cap Congress implemented just two months ago. While this was not a new gimmick, it continues one of the worst budgeting practices of the past decade, whereby Congress has obscured the true costs of the Pentagon’s “regular” budget as well as the wars in Iraq and Afghanistan – all while avoiding the hard choices our military leaders have called for us to make.

According to the Pentagon, from FY 2013 to FY 2014, approximately 39 percent fewer personnel will be deployed to Afghanistan. Yet, as a result of the omnibus spending bill, “war funding” in the OCO account will actually increase from FY 2013 to FY 2014. This disconnect from reality only highlights the absurdity of continuing to use the OCO account as a slush fund for the Pentagon.

Just last year, the House of Representatives voted to cut the OCO account—reversing House appropriators’ decision to include billions of dollars above the Pentagon’s request in the Defense Appropriations Act for Fiscal Year 2014. The vote was the result of an amendment offered by Representatives Mick Mulvaney (R-SC), Chris Van Hollen (D-MD), Mike Coffman (R-CO), and Patrick Murphy (D-FL) which cut war spending by roughly \$3.5 billion and passed with overwhelming bipartisan support. Similarly, the Senate Appropriations Committee reported its Fiscal Year 2014 defense appropriations bill with significantly less appropriated in the OCO account than the omnibus ultimately provided.

Padding the OCO account in the omnibus appropriations bill ignored not only Congress’ prior actions but also the desire of the American public to see our war spending come down as our troops come home. At a time when the Pentagon is just beginning to exercise fiscal restraint following more than a decade of heavy spending, OCO funding ought to be shrinking.

As you begin the appropriations process for Fiscal Year 2015, you have an opportunity to end the budget gimmicks and realize genuine savings at the Pentagon. We urge you to end the use of the OCO account as a slush fund, and instead methodically address wasteful, ineffective, or low-priority expenditures.

Sincerely,

American Friends Service Committee

Americans for Prosperity

Campaign for America’s Future

Campaign for Liberty

Center for Foreign and Defense Policy

Center for International Policy

Citizens Against Government Waste

Citizen Outreach

Coalition to Reduce Spending

Come Home America

Council for a Livable World

CREDO

DownsizeDC.org Inc.

Foreign Policy in Focus

Freedom Works

Friends Committee on National Legislation

Kitchen Table Patriots

GOProud

Less Government

National Priorities Project

National Security Network

National Taxpayers Union

NETWORK, A National Catholic Social Justice Lobby

Peace Action

Peace Action West

Progressive Democrats of America (PDA)

Project On Government Oversight (POGO)

R Street Institute

Republican Liberty Caucus

Take Back Washington

Taxpayers for Common Sense

Taxpayers Protection Alliance

USAction

US Labor Against the War (USLAW)

Win Without War

Women’s Action for New Directions