## Congress of the United States

Washington, DC 20515

January 31, 2023

The Honorable Lloyd J. Austin III Secretary of Defense U.S. Department of Defense 1000 Defense Pentagon Washington, DC 20301-1000

## Dear Secretary Austin:

As the Department of Defense (DoD or the Department) finalizes its annual budget submission we write to urge you to ensure that the Department's top priorities are reflected in the budget and to ask that you curtail the Department's use of so-called "unfunded priorities" lists to increase the Department's topline.<sup>2</sup>

The statutory requirements<sup>3</sup> for the military services, combatant commands, and other Department of Defense components to produce annual "unfunded priorities" wish lists have become wasteful and inefficient tools that increase spending beyond DoD's core priorities. Last year's initial wish lists requested more than \$24 billion on top of the Department's \$773 billion request.<sup>4</sup> In November the Department submitted a second request for an additional \$25 billion.<sup>5</sup> We are increasingly concerned that budget gamesmanship is leading to the placement of critical programs in "unfunded priorities" lists, rather than the Department's initial budget which should be accurately reflecting our true national security priorities.

The abuse of these unfunded priorities lists also undermine transparency in the budget process. DoD's annual budget submission includes information about the long-term costs of its budget items over the full length of the future years defense plan (FYDP).<sup>6</sup> But "unfunded priorities" lists, however, do not include and are not required to provide Congress the information necessary to understand the multi-year impact of supporting additional programs.<sup>7</sup>

https://comptroller.defense.gov/Portals/45/Documents/quickLinks/FY\_2022\_NDAA\_Report\_on\_Congressional\_Increases\_June\_2022.pdf.

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<sup>&</sup>lt;sup>1</sup> 10 U.S.C. § 222a, 10 U.S.C. 222a note, and 10 U.S.C. 222b.

<sup>&</sup>lt;sup>2</sup> Department of Defense, "Report on Congressional Increases to the Fiscal Year (FY 2022) Defense Budget," July 2022

<sup>&</sup>lt;sup>3</sup> 10 U.S.C. § 222a, 10 U.S.C. 222a note, and 10 U.S.C. 222b.

<sup>&</sup>lt;sup>4</sup> National Taxpayers Union, "When You Wish Upon a (\$24.3 Billion) Star: DoD 'Wish Lists' for FY 2023," by Andrew Lautz, May 4, 2022, <a href="https://www.ntu.org/publications/detail/when-you-wish-upon-a-235-billion-star-dod-wish-lists-for-fy-2023">https://www.ntu.org/publications/detail/when-you-wish-upon-a-235-billion-star-dod-wish-lists-for-fy-2023</a>; Department of Defense, "The Department of Defense Releases the President's Fiscal Year 2023 Defense Budget," press release, March 28, 2022,

<sup>&</sup>lt;sup>5</sup> Bloomberg, "F-35 Jet Funding is Running \$1.4 Billion Short, Pentagon Tells Congress," Anthony Capaccio and Roxana Tiron, November 15, 2022, <a href="https://www.bloomberg.com/news/articles/2022-11-15/f-35-jet-funding-is-running-1-4-billion-short-pentagon-tells-congress">https://www.bloomberg.com/news/articles/2022-11-15/f-35-jet-funding-is-running-1-4-billion-short-pentagon-tells-congress</a>.

<sup>&</sup>lt;sup>6</sup> Congressional Research Service, "Defense Primer: Future Years Defense Program (FYDP)," December 15, 2021, p. 1, <a href="https://sgp.fas.org/crs/natsec/IF10831.pdf">https://sgp.fas.org/crs/natsec/IF10831.pdf</a>.

<sup>&</sup>lt;sup>7</sup> 10 U.S.C. § 222a, 10 U.S.C. 222a note, and 10 U.S.C. 222b.

At the end of the last Congress we introduced the *Streamline Pentagon Budgeting Act* (S. 5255/H.R. 9553) to repeal the mandate for DoD components to produce these lists. We urge the Department to support this bill and will continue to work with our colleagues to repeal this wasteful and unnecessary requirement that undermines budget discipline.

As Secretary you also have the ability to curtail this wasteful practice. Your predecessor, Robert Gates, made leadership on this issue a centerpiece of his Department of Defense reform efforts. His work led to military leaders making those lists "as small as possible," and ultimately reducing the budget impact of the lists by nearly 90 percent.<sup>9</sup>

The Department of Defense must show taxpayers that it is a responsible steward of its funds. That must begin with eliminating the practice of sending Congress bloated wish lists for additional funds on top of its core budget submissions.

Sincerely,

Elizabeth Warren

United States Senator

Michael S. Lee

United States Senator

Angus S. King, Jr. (

United States Senator

Mike Braun

United States Senator

Pramila Jayapal

Member of Congress

Tom McClintock
Member of Congress

<sup>&</sup>lt;sup>8</sup> Streamline Pentagon Budgeting Act, S. 5255, <a href="https://www.congress.gov/bill/117th-congress/senate-bill/5255?">https://www.congress.gov/bill/117th-congress/senate-bill/5255?</a> s=1&r=5.

<sup>&</sup>lt;sup>9</sup> Time, "Gates Takes Aim at the Military's Spending Wish Lists," Mark Thompson, July 17, 2009, <a href="http://content.time.com/time/nation/article/0,8599,1911152,00.html">http://content.time.com/time/nation/article/0,8599,1911152,00.html</a>.