

## **Restraining Emergency War Spending Act**

Emergency war funding, commonly known as Global War on Terror (GWOT) and Overseas Contingency Operations (OCO) funding, has exponentially grown in size and scope since its inception after September 11, 2001. While Congress did not expect OCO funding to turn into a reserve fund for regularly planned defense spending, Congress has yet to reign-in or retool this "emergency spending" to account for the relative peacetime operational posture and the drawdown of conflicts in the Middle East.

From September 2001 through Fiscal Year 2021, Congress appropriated over \$2 trillion under the OCO/GWOT designations. Over time the purpose of OCO/GWOT spending morphed from funding missions in Afghanistan and Iraq into funding run-of-the-mill DOD acitivies in other theaters like Europe. A report from the National Taxpayers Union identified a total of \$164 billion dollars that should have been in competition with DOD's other base budget priorities and subject to the Budget Control Act caps between Fiscal Years 2015 and 2021 alone. On the Property of the Budget Control Act caps between Fiscal Years 2015 and 2021 alone.

In the absence of statutory parameters and facing pressure to reign in OCO spending, the Obama administration revised OCO guidance in 2010 and introduced much needed specificity on what needed to move to base budget, as well as criteria for future planning. In 2017, the Government Accountability Office (GAO) concluded the 2010 criteria is "outdated and does not address the full scope of activities" in the president's budget request.<sup>3</sup> Although the Biden administration did not request OCO in this year's President's Budget, it remains critical for Congress to tighten the use of emergency war spending going forward.

Senator Lee's reform would prescribe a statutory definition to classify emergency war spending, and establish a permanent, surgical budget point of order against measures that include emergency war spending that does not meet the definition set by Congress.

## **Bill Specifics**

- Establishes a statutory definition for Emergency War Funding:
  - o Includes replacement of ground equipment, equipment modifications, munitions, replacement of aircraft, military construction for short-term temporary facilities, direct war operations, and fuel.
  - Requires a defined geographic limit.
  - o Does not include R&D costs or train, equip, and sustainment of foreign forces.
- Submit to Congress in the Presdient's Budget:
  - A plan for transferring activities no longer meeting the revised definition to the base budget and;
  - o A projection of emergency war costs for the next five fiscal years.
- Establishes a surgical budget point of order against legislation that includes emergency war funding that does not meet the statutory definition.

<sup>&</sup>lt;sup>1</sup> "Reforming the OCO Account: A Better Deal for Taxpayers, Watchdogs, and the Military," Andrew Lautz, National Taxpayers Union, May 27, 2020.

<sup>&</sup>lt;sup>3</sup> Government Accountability Office, OVERSEAS CONTINGENCY OPERATIONS: OMB and DOD Should Revise the Criteria for Determining Eligible Costs and Identify the Costs Likely to Endure Long Term, GAO-17-68, January 18, 2017.