IMMEDIATE RELEASE

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DOD Releases Fiscal Year 2014 Budget Proposal

President Barack Obama today sent to Congress a proposed defense budget of \$526.6 billion in discretionary budget authority to fund defense programs in the base budget for fiscal year (FY) 2014.

The budget continues the department's commitment to good stewardship of taxpayer dollars by seeking further consolidation of defense infrastructure, instituting a study of possible efficiencies in military treatment facilities, and terminating and restructuring lower-priority and poorly performing weapons programs. The budget slows the growth of military pay and benefits while continuing to support the All-Volunteer Force.

The proposed FY 2014 budget continues the implementation and deepening of program alignment to the department's strategic guidance released in January 2012, "Sustaining U.S. Global Leadership: Priorities for 21st Century Defense." It continues plans to reduce the size of military forces, consistent with the new strategy. It also seeks to create military forces that are ready and capable across the spectrum of military missions.

The budget makes a continued commitment to the department's people, who remain central to DoD's mission. The proposal requests funding to ensure that U.S. personnel are wellcompensated and properly equipped, trained, and led. We will also continue to invest in critical programs for areas such as transition assistance, wounded warriors, suicide prevention, and sexual assault prevention and response.

"Even while restructuring the force to become smaller and leaner and once again targeting overhead savings, this budget made important investments in the president's new strategic guidance -- including rebalancing to the Asia-Pacific region and increasing funding for critical capabilities such as cyber, special operations, and global mobility," said Defense Secretary Chuck Hagel.

"Most critically, the proposed budget sustains the quality of the All-Volunteer Force and the care we provide our service members and their families. That underpins everything we do as an organization," Hagel said.

Unfortunately, FY 2014 programs will be significantly and adversely affected by sequester budget cuts in FY 2013. Training cutbacks, civilian furloughs, deferral of equipment and facility maintenance, reductions to energy conservation investments, contract inefficiencies, and curtailed deployments will inevitably have rippling effects into FY 2014. To address this challenge, the President's Budget includes balanced deficit reduction proposals that are more than sufficient to allow Congress to replace and repeal the sequester-related reductions required by the Budget Control Act of 2011.

The FY 2014 request does yet not include a detailed budget for Overseas Contingency Operations (OCO). Decisions regarding force levels in Afghanistan were delayed until February of this year to provide commanders time to assess wartime needs fully. A separate OCO request is being prepared and will be submitted to Congress in the coming weeks.

Highlights of the proposed DoD budget are outlined at

<u>http://www.defense.gov/news/2014budget.pdf</u>. For more information and to view the entire FY 2014 budget proposal, please visit <u>http://www.budget.mil</u> and download the "FY 2014 Budget Request Overview Book." Budget-related transcripts will be available later today at <u>http://www.defense.gov/transcripts</u>.