

# **Keeping Americans Safe at Home and Abroad**

## **Meeting Our Greatest Challenges: The President's Fiscal Year 2017 Budget**

Under the President's leadership, we have turned our economy around and created 14 million jobs. Our unemployment rate is below five percent for the first time in almost eight years. Nearly 18 million people have gained health coverage as the Affordable Care Act has taken effect. And we have dramatically cut our deficits by almost three-quarters and set our Nation on a more sustainable fiscal path.

Yet while it is important to take stock of our progress, this Budget is not about looking back at the road we have traveled. It is about looking forward and making sure our economy works for everybody, not just those at the top. It is about choosing investments that not only make us stronger today, but also reflect the kind of country we aspire to be – the kind of country we want to pass on to our children and grandchildren.

The Budget makes critical investments in our domestic and national security priorities while adhering to the bipartisan budget agreement signed into law last fall, and it lifts sequestration in future years so that we continue to invest in our economic future and our national security. It also drives down deficits and maintains our fiscal progress through smart savings from health care, immigration, and tax reforms.

The Budget shows that the President and the Administration remain focused on meeting our greatest challenges – including accelerating the pace of innovation to tackle climate change and find new treatments for devastating diseases; giving everyone a fair shot at opportunity and economic security; and advancing our national security and global leadership – not only for the year ahead, but for decades to come.

\*\*\*\*\*

## **Advancing Our National Security Interests through Strong and Sustainable Leadership**

Economic growth and opportunity can only be achieved if America is safe and secure. The Budget provides \$524 billion in base discretionary funding for the Department of Defense (DOD), which is \$2 billion, or 0.4 percent, above the 2016 enacted level, as well as \$59 billion for Overseas Contingency Operations. Combined, these resources support the President's National Security Strategy, protecting the country's security and well-being both at home and abroad. The Budget also provides \$52.7 billion for the Department of State and Other International Programs, including \$37.8 billion in base funding and \$14.9 billion in Overseas Contingency Operations.

### **Destroying ISIL**

The President's highest priority is keeping the American people safe. That is why the United States is leading the global coalition that will destroy the Islamic State of Iraq and the Levant (ISIL). Our comprehensive strategy draws on every aspect of American power and enables the United States and its partners to continue delivering blows to ISIL's leaders, attack plotters, infrastructure, and revenue sources. The Budget provides robust funding for DOD and the Department of State so that the United States can continue to hunt down terrorists; provide training and equipment to forces fighting ISIL on

the ground; help stabilize communities liberated from ISIL in Syria and Iraq; disrupt ISIL's financing and recruitment; counter ISIL's expansion; and support a political solution to the Syrian civil war. In Iraq, we will meet immediate and evolving stabilization needs, promote inclusive and responsive governance to bridge the sectarian divide, and provide for additional credit support and an expanded package of technical assistance to support economic reforms for greater fiscal stability, which is crucial to sustained success against ISIL. Specifically, the Budget provides \$7.5 billion to DOD to continue our military campaign, Operation Inherent Resolve, which is expelling ISIL from Iraqi and Syrian territory and disrupting ISIL efforts to plan external attacks through the use of precision airstrikes, Special Operations forces, intelligence collection and exploitation, and the development of capable local ground forces in Iraq and Syria. The Budget provides \$4.0 billion for State/Other International Programs to pursue this effort, strengthen our regional partners, provide humanitarian assistance to those impacted by the conflict, address needs in refugee host communities, and counter the ISIL narrative.

### **Countering Russian Aggression and Supporting European Allies**

In response to increasing attempts by the Russian Federation to constrain the foreign and domestic policy choices of neighboring countries, the Budget includes over \$4.3 billion for political, economic, public diplomacy, and military support to build resilience and reduce vulnerabilities to Russian aggression among NATO allies and partner states in Europe, Eurasia, and Central Asia. To increase resilience within the governments and economies most targeted by Russian aggression, foreign assistance will support efforts to improve democracy and good governance, increase defense capabilities, strengthen rule of law and anti-corruption measures, and promote European integration, trade diversification, and energy security. This includes bolstering capabilities across the region to counter Russian aggression, with a particular focus on Ukraine, Georgia, and Moldova. In addition, through continued investments in U.S. public diplomacy and international media activities, the United States will seek to engage vulnerable populations in periphery countries, expand U.S. support for freedom of the press and independent journalism in the region, and advance America's foreign policy interests.

To increase security and reassure our NATO allies and partner states in Europe, the Budget provides over \$3.4 billion for DOD's European Reassurance Initiative (ERI). ERI funding will enable the United States to increase military exercises and training, sustain a larger continuous rotational presence in Europe, enhance U.S. preparedness to reinforce NATO allies through the prepositioning of equipment, and build the capacity of partner states in Europe to enhance interoperability with the United States and NATO to strengthen regional security.

### **Central American Regional Strategy**

The Budget provides \$1 billion for a whole-of-government approach to support a long-term, comprehensive strategy for Central America designed to contribute to the evolution of an economically-integrated Central America that is fully democratic, provides greater economic opportunities to its people, promotes more accountable, transparent, and effective public institutions and ensures the safety of its citizens. These investments are critical to support the region and to reduce the incentives for individuals to migrate illegally from Central America to the United States.

### **Advancing Global Health**

The Budget increases resources at USAID and CDC to support the Global Health Security Agenda, increases funding to end the scourge of malaria, and provides strong support for other global health challenges. The Budget continues an Impact Fund for targeted global HIV/AIDS efforts within PEPFAR, and provides strong funding for the Global Fund to Fight AIDS, TB, and Malaria.

### **Sustaining the President's Development and Democracy Agenda**

The successful pursuit of sustainable global development and democracy is a central pillar of U.S. foreign policy and national security and is essential to building a more stable and prosperous world. The Budget continues to advance the Administration's development and democracy initiatives and activities as it seeks to reduce extreme poverty, encourage broad-based economic growth, and support democratic governance and human rights – and to drive progress toward meeting the global development vision and priorities adopted in the 2030 Agenda for Sustainable Development.

The Budget provides \$1.0 billion for Feed the Future, the President's food security initiative; \$1.3 billion for the Global Climate Change Initiative to support greater climate resilience and low-emission economic growth in partner countries; and \$300 million for Power Africa, which aims to expand electricity access in sub-Saharan Africa. More generally, through the Departments of State and the Treasury, USAID, the Millennium Challenge Corporation, and other international affairs programs, the Budget supports activities across numerous sectors of development – including agriculture and nutrition, environmental sustainability and biodiversity, effective and accountable democratic governance and institutions, infrastructure, education, addressing corruption and financial mismanagement in countries working toward reform, promoting the rights of women and girls around the world, and enabling sustained and inclusive economic growth. Through the Budget, the Administration also continues to drive progress on a new model for development assistance that aims to mobilize increased private capital flows, diversify the range of private sector and nongovernmental partners with whom we work, and enable developing countries to better mobilize and use their own domestic resources to finance their development and reduce their dependence on foreign aid.

### **Disrupting and Deterring Malicious Cyber Activity**

The President has made clear that cybersecurity is one of the most important challenges we face as a Nation. Even as we pursue initiatives to enhance our cyber defenses through the President's Cybersecurity National Action Plan, we must also invest in the capabilities needed to disrupt our adversaries' malicious activities, deter them from taking action in the future, and hold them accountable for their actions. The Budget includes funding to support the use of all the tools of U.S. national power to achieve this goal – including diplomatic, economic, law enforcement, intelligence, and military activities.

In support of this effort, DOD has established a trained and ready cyber operations workforce – including the Cyber Mission Forces (CMF) – with all the technical capabilities necessary to complete missions and support full-spectrum operations. The Budget also focuses on developing cyber tools to deter state and non-state actors from conducting malicious cyber acts; producing new capabilities and tools, including systems to support CMF missions, integration and improvements to the CMF platforms; and launching improved and consistent training for cyber forces.

The Budget expands our law enforcement capabilities with the Federal Bureau of Investigation and other relevant agencies. It sustains the ability of the Departments of State and Treasury to use their

respective diplomatic and economic tools to impose costs on our adversaries. While we will use these tools judiciously and with restraint, the President has made clear that we will take the actions necessary to defend U.S. citizens and our interests.

### **Building the Force of the Future**

The Budget invests in DOD's Force of the Future proposals to ensure our military servicemembers and families continue to have the training, support, and resources they need to protect us. These initiatives are designed to attract a new generation to service, integrate data more effectively into the Department of Defense's human capital processes, create dynamic links among the active force, the private sector, and reserve component, and invest in the health and well-being of our military personnel and their families.

### **Maintaining Technological Superiority**

The Budget supports unprecedented collaboration among the military services and other agencies that are creating new concepts and applications of current, first-rate weapon systems that will expand our technological superiority. The combination of simultaneous investments in future defense system technologies and programs that deploy new technologies faster, leverage adapted commercial off-the-shelf technologies, and develop strategic capabilities that bend the cost curve will change the calculus of warfare for our potential opponents both today and into the foreseeable future. DOD R&D investments in the 2017 Budget focus on areas deemed to have the greatest impact on our Nation and future military requirements. The 2017 Budget provides \$73 billion for DOD R&D, an increase of 2.8 percent from the 2016 enacted level. The 2017 Budget proposes \$12.5 billion for DOD's Science and Technology program, a subset of DOD R&D which consists of basic research, applied research, and advanced technology development.

### **Honoring Our Commitment to Veterans**

The Budget invests in the five pillars the President has outlined to support our Nation's veterans: providing the resources and funding they deserve, ensuring high-quality and timely health care, getting veterans their earned benefits quickly and efficiently, ending veteran homelessness, and helping veterans and their families get good jobs, education, and access to affordable housing. The Budget also puts forward a proposal to fundamentally reform the broken appeals process for disability claims so that it can best serve our veterans.

### **Countering Violent Extremism**

Incidents of violent extremism in the United States and Americans traveling abroad to join terrorist groups heighten the importance and demonstrate the critical need of stopping radicalization.

The President's Budget includes funding for the Department of Homeland Security's (DHS) newly created Office of Community Partnerships. This office will formalize and continue current efforts to build relationships and promote trust with communities, which focus on innovative, community-based approaches that seek to discourage violent extremism and undercut terrorist narratives. The President's Budget also includes \$50 million in federal assistance for the Federal Emergency Management Agency specifically for efforts to respond to emergent threats from violent extremism and prevent, prepare for, and respond to complex, coordinated attacks.

The Budget includes \$15 million for the Department of Justice to significantly improve the ability of communities and stakeholders to identify potential extremists and intervene where necessary to thwart radical behavior that may lead to violence. Grant funding will support research, model development, training, and demonstration projects at the community level to enhance the partnership to counter violent extremism of law enforcement agencies nationwide with local residents, business owners, community groups, and other stakeholders.