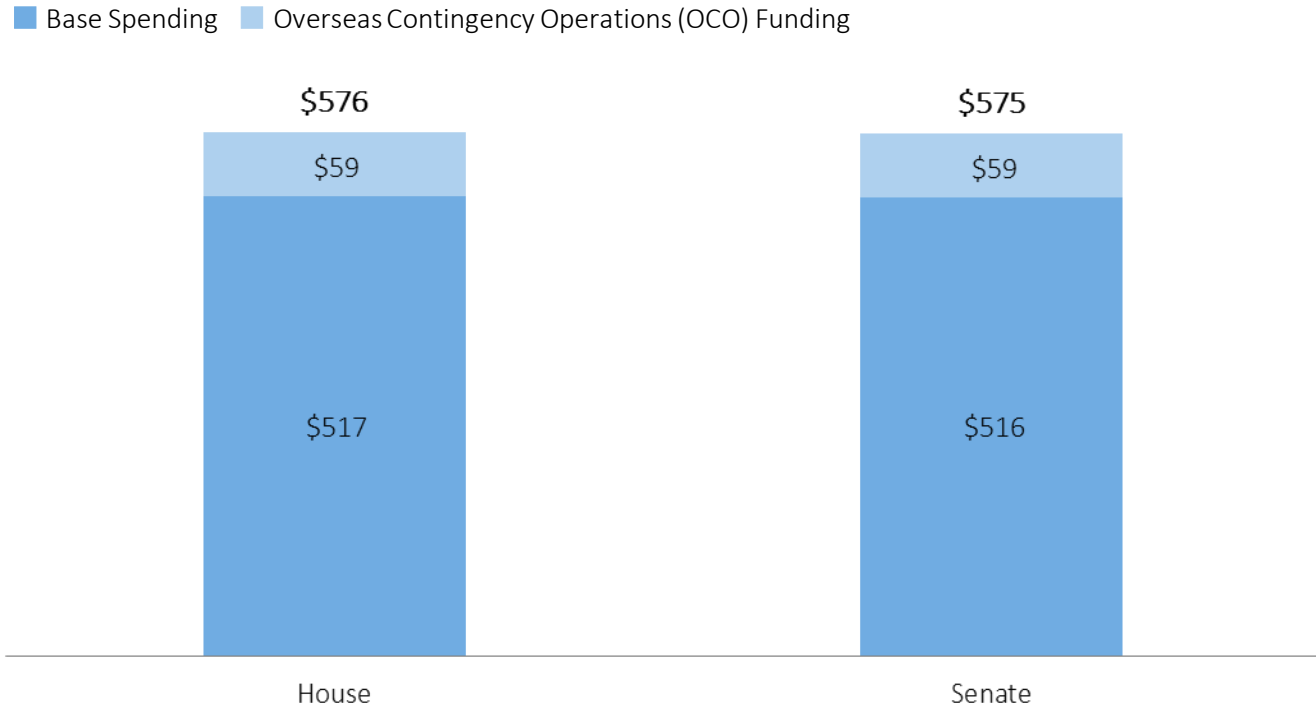


House and Senate Appropriations Committees Pass Defense Spending Bills

Amount of Appropriated Funds in House and Senate Bills Respectfully

Includes Base and Overseas Contingency Operations Funding in Billions of Dollars



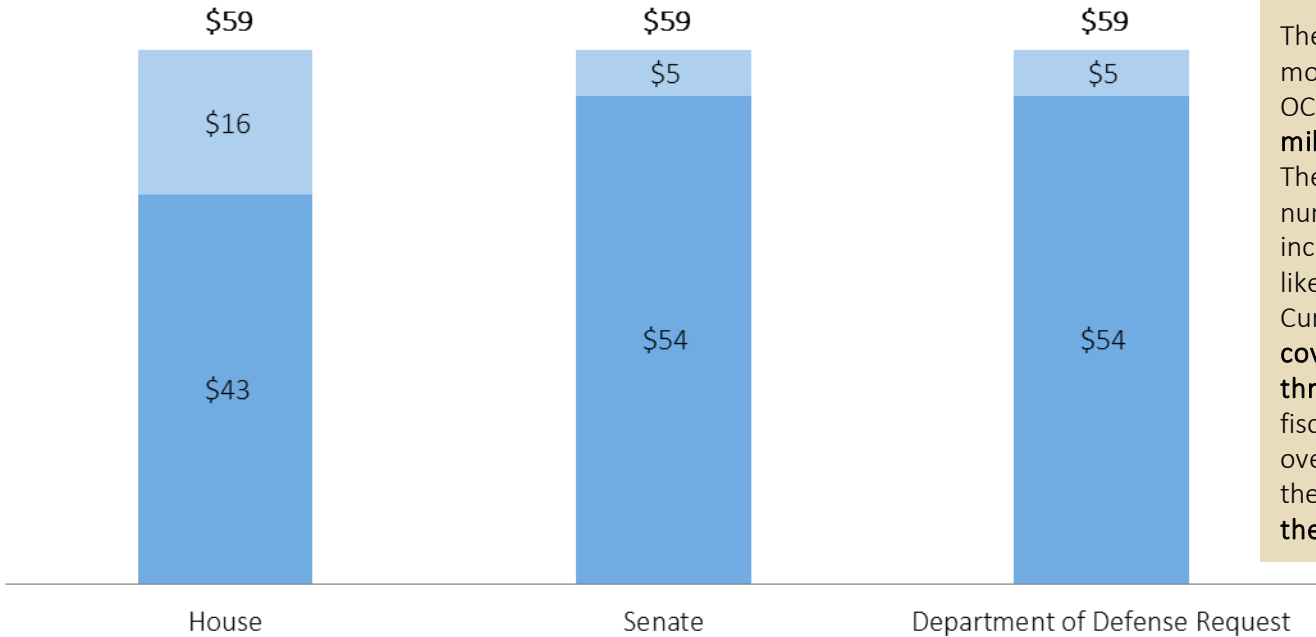
Sources: Senate Appropriations Committee, "Senator Appropriations Committee Approves FY2017 Defense Funding Bill," May 26, 2016; Rebecca Kheel, "House Panel Advances \$575B Defense Bill," The Hill, May 17, 2016.

Senate Fully Funds OCO While House Bill Does Not Threat Causing White House To Threaten To Veto It

Amount of Requested and Appropriated OCO Funds

Measured in Billions of Dollars

Overseas Contingency Operations (OCO) Base Budget Funding Moved to OCO Fund



Reasons Behind White House Veto and House OCO Base Budget Funding

The House defense bills have shifted more base budget funding into the OCO fund to sustain higher levels of military personnel and equipment. The House argues these increased numbers are necessary to address increased national security threats like ISIL and Russian aggression. Currently, the House's OCO funding covers overseas operations only through April 2017 instead of the full fiscal year. This lack of full funding for overseas operations has resulted in the White House threatening to veto the House bill.

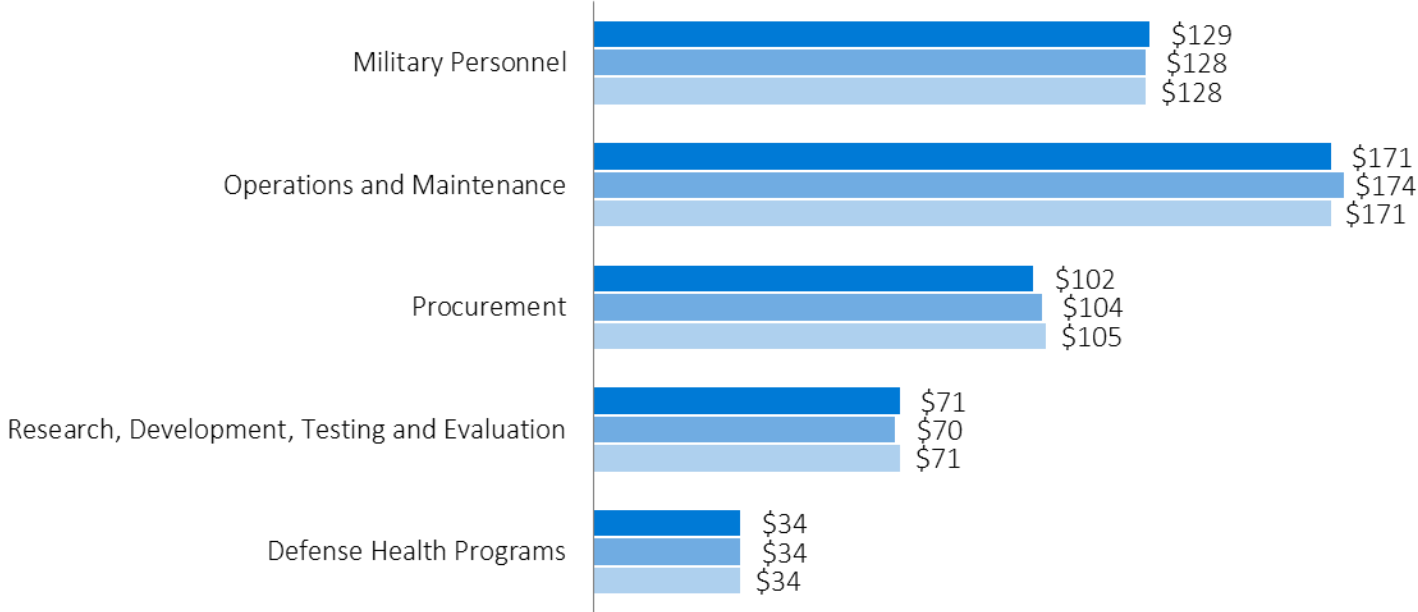
Sources: Kristina Wong, "White House Issues Veto Threat Over House Defense Policy Bill," The Hill, May 16, 2016; House Appropriations Subcommittee on Defense, "House Appropriations Committee Releases the Fiscal Year 2017 Defense Bill," May 10, 2016; Senate Appropriations Committee, "S. Report-114-263: Department of Defense Appropriations Bill," May 26, 2016.

President's Budget Request and House Appropriations Base Budget Are Largely the Same Across Categories

Amount of Appropriated Funds By Major Category, in Billions of Dollars

Only Includes Base Budget

■ President's FY 2017 Request ■ House Appropriations Committee Bill ■ Senate Appropriations Bill



Sources: House Appropriations Committee, "Department of Defense Appropriations Bill, Fiscal Year 2017: Full Committee Print," May 17, 2016.