



FACT SHEET: DOD Equities in Phase III Stimulus

The Senate's bipartisan "Phase III" stimulus package includes approximately \$10.4 billion in DOD funding to prevent, prepare for, and respond to coronavirus, domestically or internationally; provided that such amounts are designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

The DOD funding includes:

National Guard

- Army: \$746,591,000
- Air Force: \$482,125,000

Operations and Maintenance

- Army: \$160,300,000
- Navy: \$360,308,000
- Marine Corps: \$90,000,000
- Air Force: \$155,000,000
- Army Reserve: \$48,000,000
- Army National Guard: \$186,696,000
- Air National Guard: \$75,754,000
- Defense-wide O&M: \$827,000,000
- Some examples of how the funding will be used:
 - The deployment of three Army Hospital Centers; 627th Hospital Center (Fort Carson), 531st Hospital Center (Fort Campbell, KY) and 9th Hospital Center (Fort Hood, TX) to provide medical support to civil authorities. These units are deploying to Seattle, Washington, and New York, New York with advance echelons (ADVON) potentially departing as early as 24 March 2020;
 - The USNS Comfort and USNS Mercy deployments. The USNS Mercy will deploy to Los Angeles with healthcare operations due to begin on or around 4/1. The USNS Comfort will deploy to New York City with healthcare operations due to begin on or around 4/4. Both Hospitals ships will be able to provide trauma and other healthcare support freeing up the civilian medical systems to focus on COVID-19 patients; and
 - Deployment of patient staging systems such as the one being sent for the Italian Ministry of Defense to Aviano, Italy, capable of supporting 40 patients in a 24-hour period.

Contracting and Acquisitions, and Industrial Base

- Defense Production Act (DPA) Procurement: \$1 Billion
 - This provision also removes the \$50M limitation for two years on Defense Production Act (DPA) authority to create, maintain, protect, expand, or restore domestic industrial base capabilities.



FACT SHEET: DOD Equities in Phase III Stimulus

- Additionally, it removes the \$50M limitation for one year on DPA loans to private business enterprises.
- Defense Working Capital Fund: \$1.45 Billion
- Undefinitized Contract Authority (UCA): These are contracts where terms, specifications, and price are not agreed upon before performance begins. The bill clarifies that COVID-19 national emergency qualifies for the existing waivers for UCAs and lifts restrictions on contracting officers to obligate funds while a undefinitized contract is being definitized.
- Industrial Base Workforce: The bill ensures the Defense Industrial base workforce is provided financial relief from situations wherein employees cannot telework and their workforce are unable to perform work because defense sites are closed or owing to state-level travel or work restrictions.

Defense Health Program

- Defense Health Program: \$3.8 Billion. Consists of:
 - \$3,390,600,000 for O&M, to include personal protective equipment, medical countermeasures and other medical equipment needed to treat COVID-19.
 - An additional \$415,000,000 will be for RDT&E, to fund initiatives such as the current 5 vaccines initiatives, 3 antiviral therapeutics initiatives and 4 other diagnostic research projects into COVID-19 that are currently underway.
 - The funds will remain available until September 30, 2021.
- TRICARE: \$1.1B
 - Funding is for emergency use of purchased care contracts to support beneficiaries if care in Military Treatment Facilities is unavailable.
 - This will also cover unanticipated growth largely by beneficiary behavior changes, shifting out of MTFs and the anticipated increase use of urgent care/emergency care, and other emergent costs.

Oversight

- DOD IG: The bill provides \$20 M to conduct audits of COVID-19 related funding.
- Special Inspector General: This bill creates a Special Inspector General for Pandemic Recovery (similar to SIGAR or the Special Inspector General for Afghanistan Reconstruction) within the Department of Treasury with an expiration date of five years after the enactment of this Act.
- Transfer Authority: The appropriations are targeted to support DoD coronavirus response expenses and prevents the transfer of these funds to other homeland security priorities.

Other Authorities

The bill gives the President the ability to extend the appointment of the Chief, Army Reserve; Chief, Navy Reserve; CSAF, Chief, Space Operations; Chief, NGB; Director, Army National Guard; and Director, Air National Guard; and delegates the exercise of such authorities to the Secretary of Defense.