



UNDER SECRETARY OF DEFENSE

1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

COMPTROLLER

MAR 20 2023

The Honorable Elizabeth Warren
United States Senate
Washington, DC 20515

Dear Senator Warren:

I am responding on behalf of Secretary Austin to your letters of December 5, 2022, and January 31, 2023, regarding the submission of unfunded priorities lists (UPLs) to Congress.

The Department appreciates your sustained commitment to our service members, their families, and our entire work force. We are grateful for your leadership, and we share your commitment to maximizing the impact of every dollar Congress appropriates.

The practice of senior military leaders providing to Congress a list of unfunded priorities was initiated by Congress, first as a request and, since 2017, as a statutory requirement. This process was created by Congress and we agree the Congress should reconsider the merits of this approach. Every Department of Defense (DoD) budget supervised and submitted by Secretary Austin is built to implement his National Defense Strategy and represents the Department's highest priorities. The current statutory practice of having multiple individual senior leaders submit priorities for additional funding absent the benefit of weighing costs and benefits across the Department is not an effective way to illuminate our top joint priorities.

Although Secretary Austin follows a similar practice to that of former Secretary Gates by requiring that these lists are submitted for his review, that process alone does not effectively address the underlying issue of requiring individual leaders to submit proposals with no necessary connection to the Secretary's global priorities. Therefore, the Department supports your proposal to repeal the requirement in 10 U.S.C 222a.

In contrast to the UPL requirement, in November 2022, after the Congress had already decided to increase the Department's budget, and in response to multiple Congressional inquiries as to how higher than expected inflation was impacting the Department, DoD provided the congressional defense committees, as drafting assistance for conference, our best assessment of the highest priorities for additional funding, with a focus on addressing unbudgeted inflation. This document was in lieu of, not in addition to, any unfunded priority list submitted under 10 U.S.C. 222a.

That list included upward adjustments for various fact-of-life increases including service member's Basic Allowances for Housing and Subsistence rates, health care costs, additional costs to complete military construction projects, and fuel price impacts. The list also included other critical emergent requirements such as the Civilian Harm Mitigation and Response Action Plan you noted, as well as additional funds to increase capacity to enable the Defense Industrial Base to accelerate the replacement of defense articles being drawn down and provided to Ukraine.

I hope that this information is helpful and look forward to working with you in the 118th Congress. A similar letter is being sent to the other signatories of your letter of January 31.

A handwritten signature in blue ink that reads "Michael McCord". The signature is written in a cursive style with a large initial "M".

Michael McCord