



Department of the Navy FY 2020 President's Budget

- **Aligns People, Capabilities, and Processes to implement Navy & Marine Corps contributions to the National Defense Strategy**
- **Prioritizes a strategy-driven and balanced approach**
 - Builds on prior investments, sustains industrial base, maintains competitive advantage
 - Continues transition to more cost-imposing, survivable, and affordable future force
 - Leverages business process reform
- **Provides a Bigger, Better, More Ready Naval Force**
 - Larger, more lethal, resilient, ready, and innovative
 - Rebuilds and recapitalizes – better capability today
 - Addresses near-term risks in personnel, readiness, and training
 - Prioritizes innovation and modernization for high-end future conflict

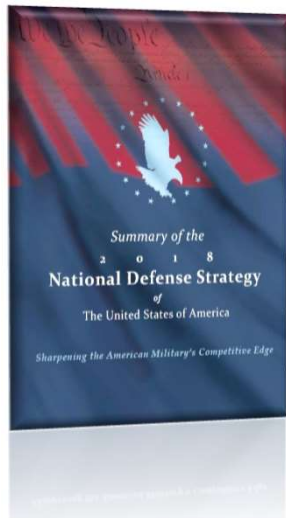
Compete – Deter – Win in Great Power Competition

Strategic Guidance: Great Power Competition



National Security Strategy

“China and Russia challenge American power, influence, and interests, attempting to erode American security and prosperity.”



National Defense Strategy

“Great Power Competition has re-emerged as the central challenge to U.S. prosperity and security.”



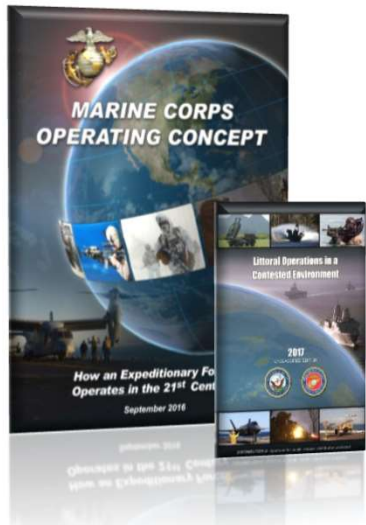
SECNAV Priorities

“We are entering a new era of Great Power Competition, characterized by increased complexity, interdependence, and uncertainty.”



CNO Navy Strategy

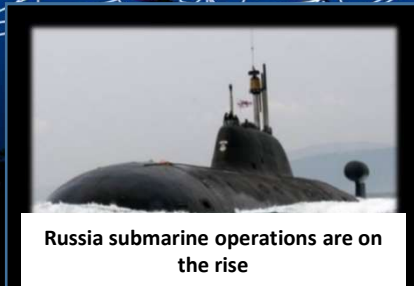
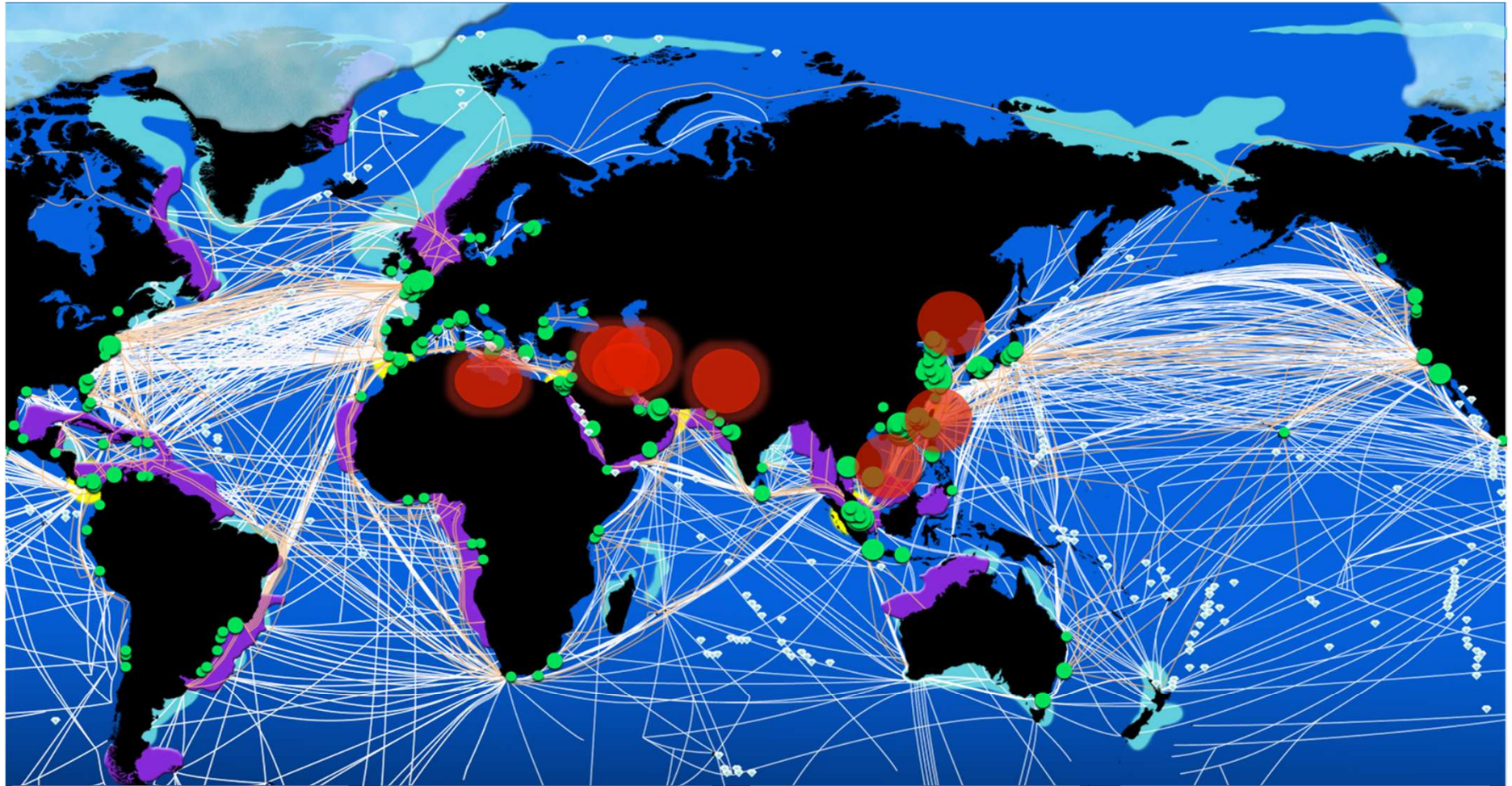
“China and Russia seek to accumulate power at America’s expense and may imperil the bonds that link the US to its allies and partners.”



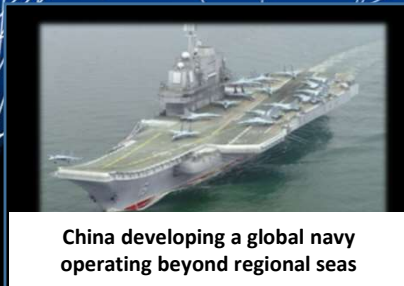
CMC Marine Corps Strategy

“Near-peer competitors are now openly challenging previously unmatched U.S. Naval air, surface, and subsurface capabilities.”

Security and Operational Environment



Russia submarine operations are on the rise



China developing a global navy operating beyond regional seas

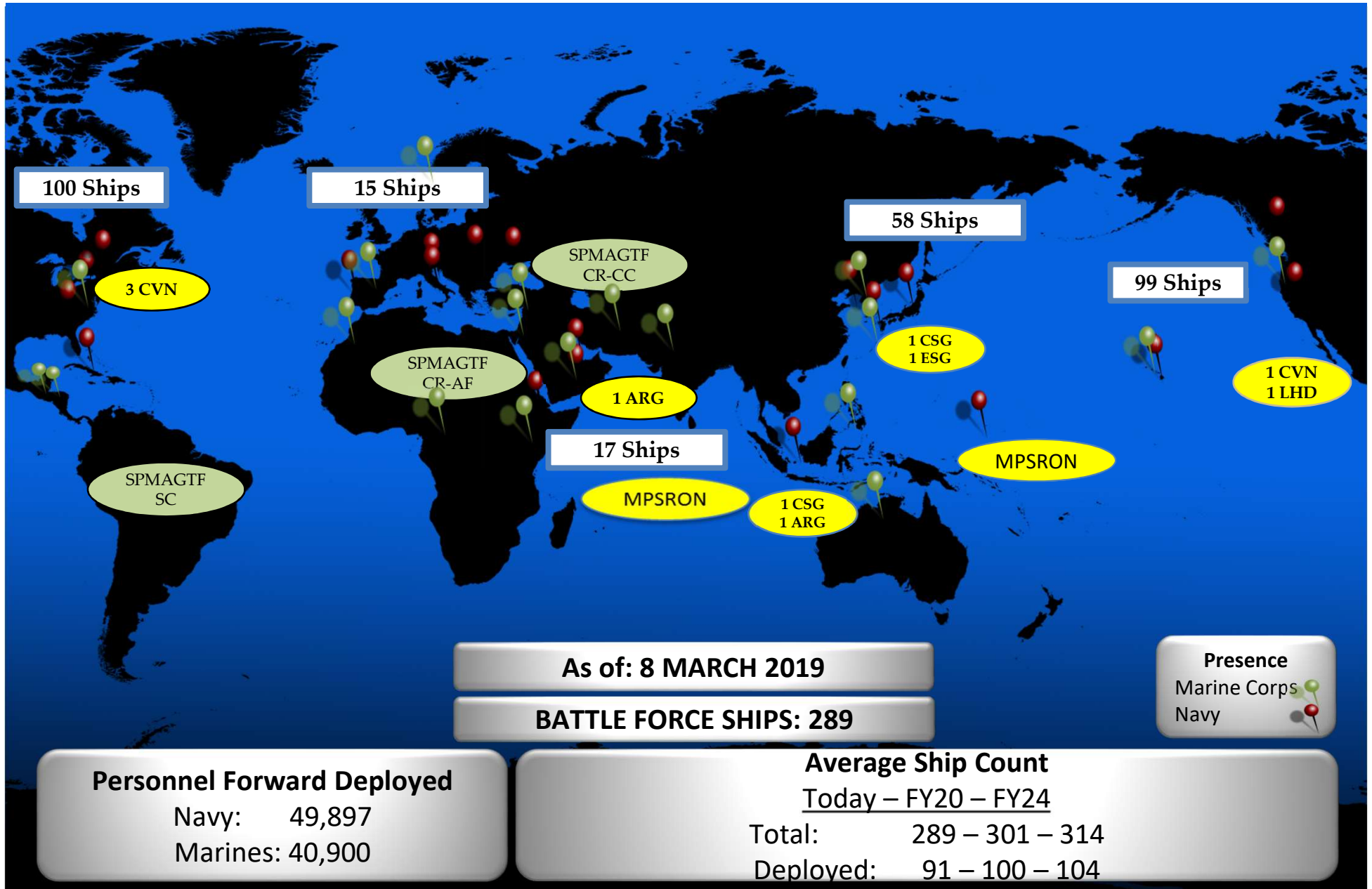


China militarization of the South China Sea islands



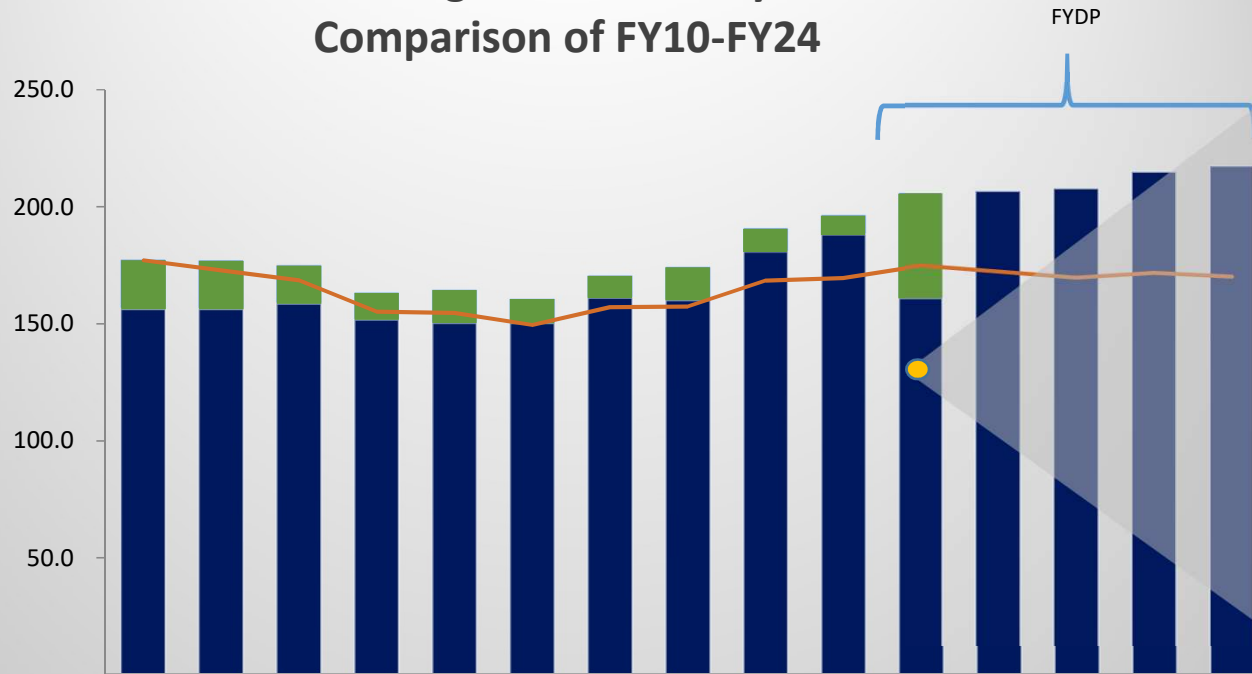
North Korea threatening regional stability

Operational Context

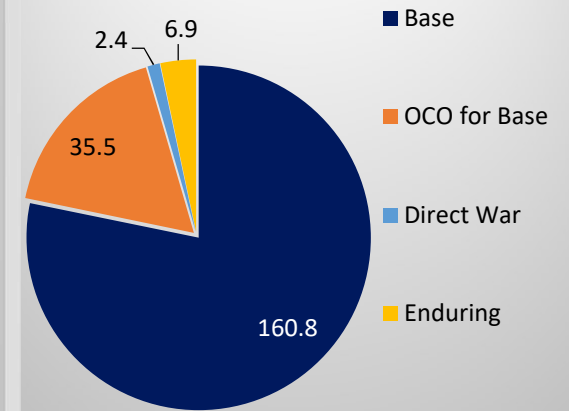


Graph shown in \$ billions

President's Budget Department of the Navy Total Obligation Authority Comparison of FY10-FY24



FY20 TOA



	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24
Total TOA	177.1	176.8	174.7	163.1	164.4	160.5	170.3	174.1	190.5	196.1	205.6	206.4	207.5	214.7	217.1
OCO	20.9	20.6	16.3	11.5	14.1	10.3	9.4	14.0	9.9	8.1	44.7	-	-	-	-
Base	156.2	156.2	158.4	151.6	150.3	150.2	160.9	160.0	180.6	187.9	160.8	206.4	207.5	214.7	217.1
Constant Year	177.1	172.8	168.5	155.2	154.7	149.5	157.1	157.4	168.5	169.6	174.8	172.1	169.5	171.6	170.0

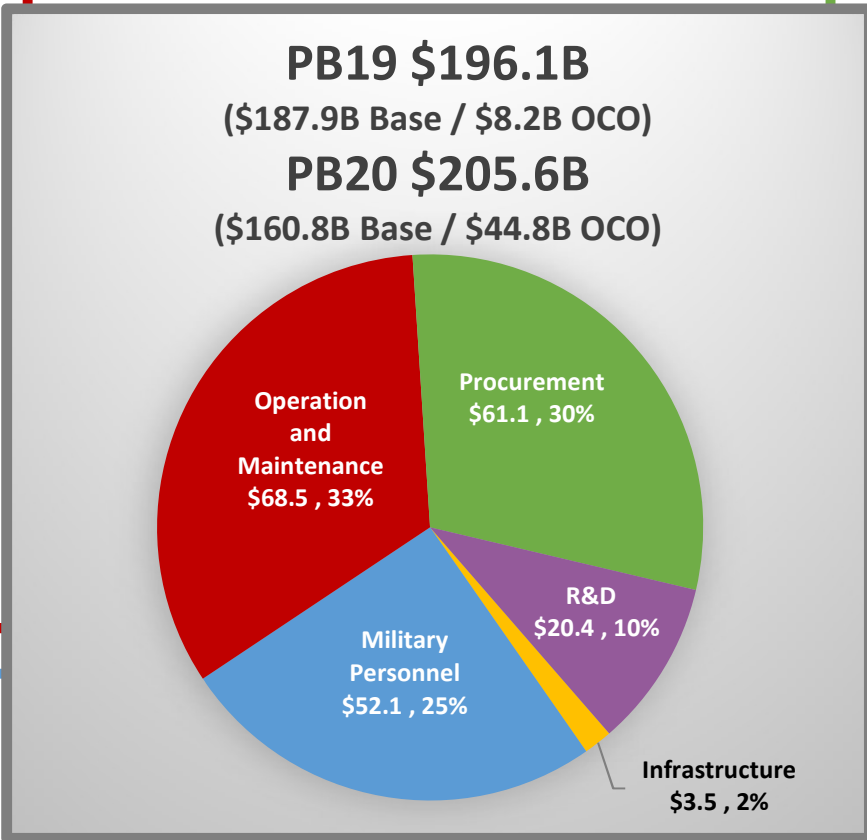
FY10-18 Actuals, FY19 Enacted, FY20-24 President's Budget

Increased funding reverses the erosion of our competitive advantage

PB20 Request Summary by Appropriation Group

	<u>FY19</u>		
	<u>Enacted</u>	<u>PB20</u>	<u>Delta</u>
O&M Total	\$62.9	\$68.5	\$5.6
Ship Ops & Preposit.	\$18.3	\$19.2	\$0.9
Aviation Ops / Exped'ry	\$14.5	\$15.2	\$0.8
Base Ops & Support	\$11.0	\$12.3	\$1.3
Combat/Weapons Spt.	\$8.8	\$9.4	\$0.6
Service Wide Support	\$4.7	\$5.0	\$0.3
Training and Education	\$2.8	\$3.1	\$0.3
Mobilization	\$1.2	\$2.1	\$0.9
Reserve O&M	\$1.3	\$1.5	\$0.1
Environmental Restor.	\$0.4	\$0.3	\$0.0

Navy 34% Marine Corps 31%



	<u>FY19</u>		
	<u>Enacted</u>	<u>PB20</u>	<u>Delta</u>
Procurement Total	\$61.4	\$61.1	(\$0.4)
Ships	\$24.2	\$23.8	(\$0.4)
Aircraft	\$20.3	\$18.6	(\$1.7)
Weapons	\$3.7	\$4.3	\$0.6
Marine Corps	\$2.8	\$3.1	\$0.3
Ammunition	\$1.2	\$1.2	\$0.0
Other Procurement	\$9.3	\$10.0	\$0.7

Navy 31% Marine Corps 25%

	<u>FY19</u>		
	<u>Enacted</u>	<u>PB20</u>	<u>Delta</u>
MILPERS	\$49.8	\$52.1	\$2.4
Pay & Allowances	\$23.9	\$25.0	\$1.1
Housing Allowance	\$8.1	\$8.5	\$0.4
Retired Pay/TSP	\$6.6	\$7.1	\$0.4
Health Accrual	\$2.3	\$2.4	\$0.1
Reserve Personnel	\$3.0	\$3.2	\$0.1
Subsistence	\$2.3	\$2.4	\$0.1
PCS	\$1.4	\$1.3	(\$0.1)
Special & Hazard Pay	\$1.9	\$2.0	\$0.1
Other	\$0.2	\$0.2	\$0.0

Navy 23% Marine Corps 35%

	<u>FY19 Enacted</u>	<u>PB20</u>	<u>Delta</u>
Infrastructure	\$3.3	\$3.5	\$0.2
MILCON	\$2.6	\$2.9	\$0.3
BRAC	\$0.2	\$0.2	\$0.0
Family Housing	\$0.4	\$0.4	\$0.0

Navy 1% Marine Corps 3%

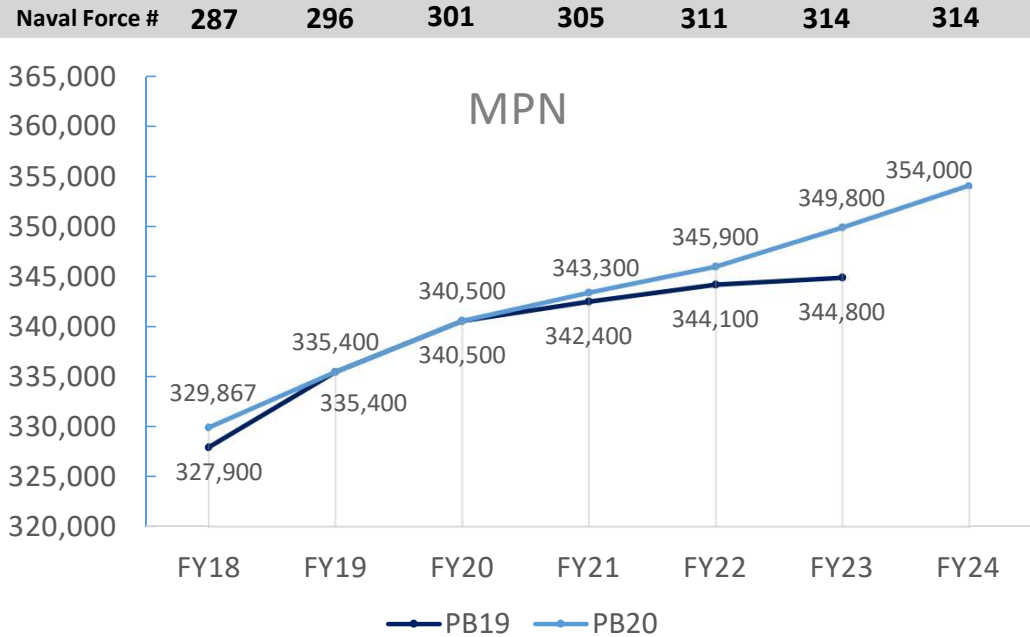
	<u>FY19</u>		
	<u>Enacted</u>	<u>PB20</u>	<u>Delta</u>
R&D	\$18.7	\$20.4	\$1.8
Basic Research	\$0.7	\$0.6	(\$0.1)
Applied Research	\$1.0	\$0.9	(\$0.1)
Advance Tech Dev	\$0.9	\$0.7	(\$0.1)
Adv Component Dev	\$4.2	\$5.6	\$1.4
System Dev & Demo	\$5.9	\$6.3	\$0.5
Management Supt.	\$1.0	\$1.0	\$0.0
Ops Systems Dev	\$5.0	\$5.2	\$0.2

Navy 11% Marine Corps 6%

Percentages of each Service's PB20 request applied to appropriation group: Navy \$159.7B, USMC \$45.9B

Military Personnel: Navy

Graphs shown in end-strength

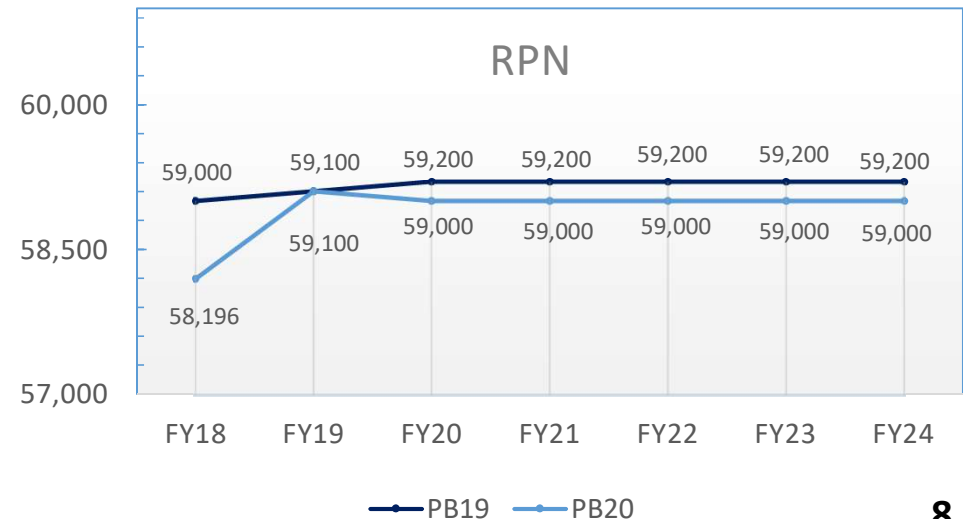


Mans the Naval force, takes care of sailors, sustains quality of Navy military personnel

- Aligns manpower to force structure changes
- Sustains Sailor 2025 and key Personnel System Transformation objectives
- Addresses CR/SRR recommendations
- Reduces gaps at sea and fit-to-fill

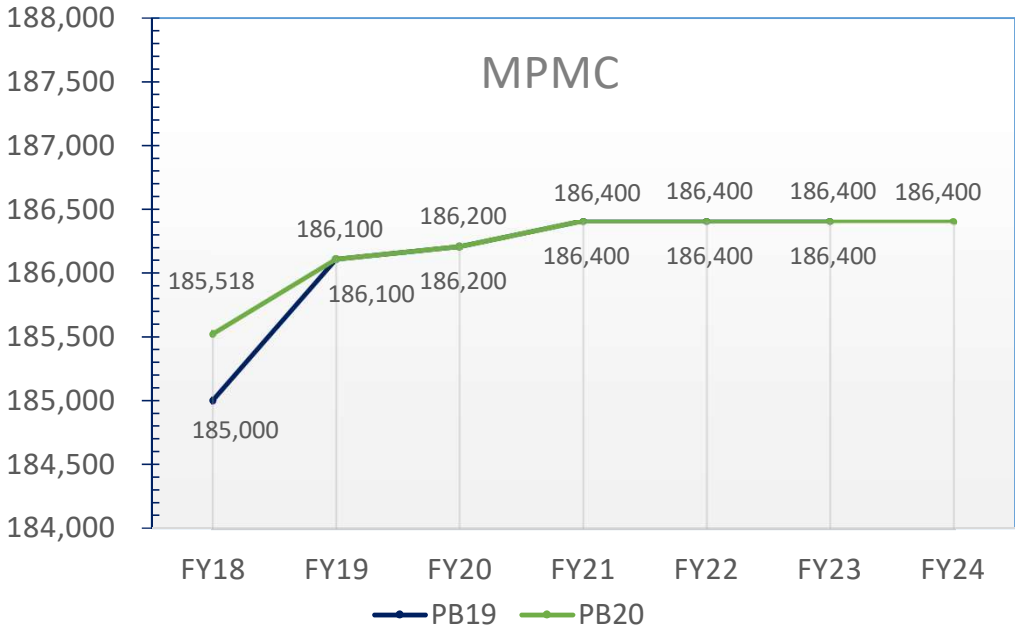
Reserve Component Remains Steady

- Prioritizes operational support toward increased lethality
- Restores focus on strategic depth
- Increases prior service accession mission
- Meets required manpower to force structure changes



Military Personnel: Marine Corps

Graphs shown in end-strength

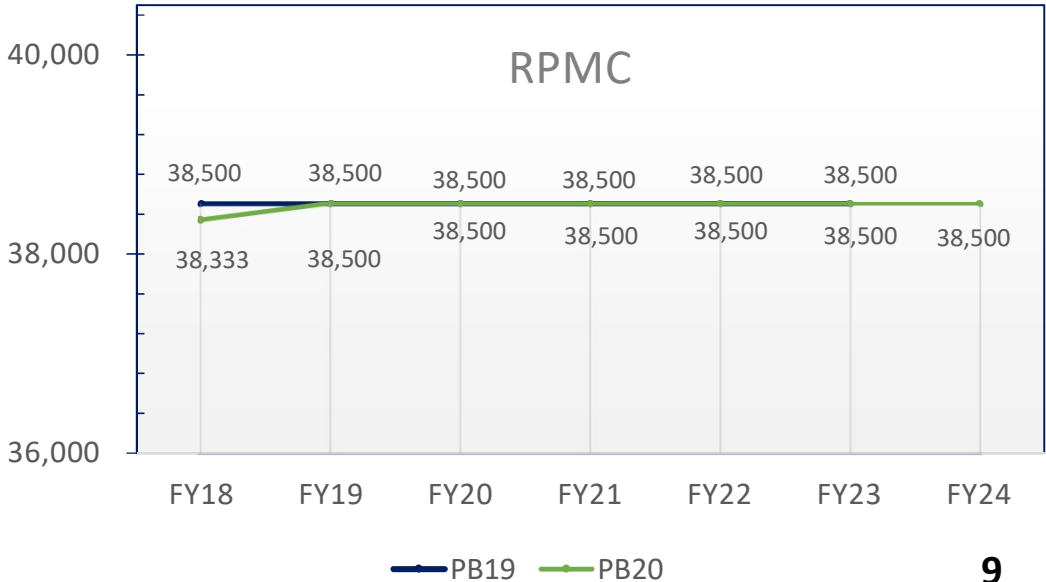


Sustains Ready, Relevant Crisis Response Force

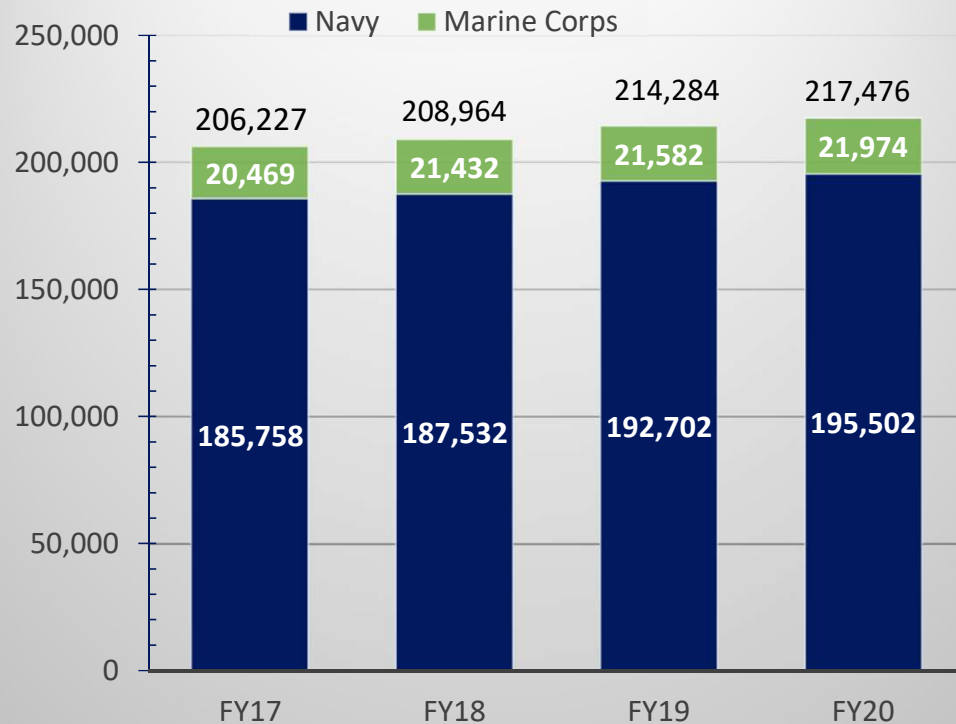
- Supports an Active Component Force of 186.2K
- Maintains a 1:2 Deployment-to-Dwell Force in the aggregate
- Focuses on lethality and modernizing the force
- Adds end strength for Marine Corps Special Operations Command (MARSOC)

Operates Seamlessly Within Total Force

- Supports Reserve Component (RC) Force of 38.5K
- RC baseline utilization remains prevalent in support of USMC Global Force Management
- Provides a “Ready-Relevant-Responsive Force” operating seamlessly in Total Force



Full-Time Equivalents (FTE)



Note: Data includes all Type Hires; Direct and Reimbursable.

Sustained and targeted growth restores readiness while increasing lethality, capability, and capacity of our military force.

Focused personnel increases:

- Scientists & Engineers
- Highly-Skilled Laborers
- Cyber Security Specialists
- Human Resources Specialists
- Intelligence Officers

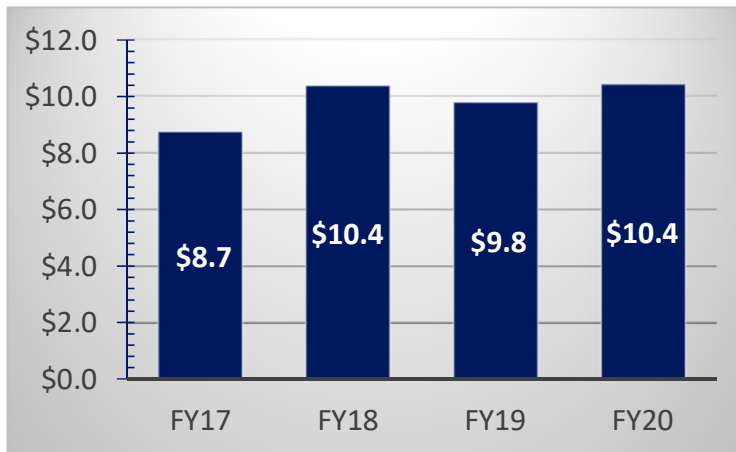
“Uniformed or civilian, the Department of the Navy represents one Navy and Marine Corps team, with one unified goal: the ever improving and innovative capacity to project lethal power from the sea..”

--Department of the Navy Business Operations Plan, Version 1.3, October 2018

Ship Depot & Ship Operations

Graphs shown in \$ billions

Ship Depot Maintenance



Improves High-End Readiness

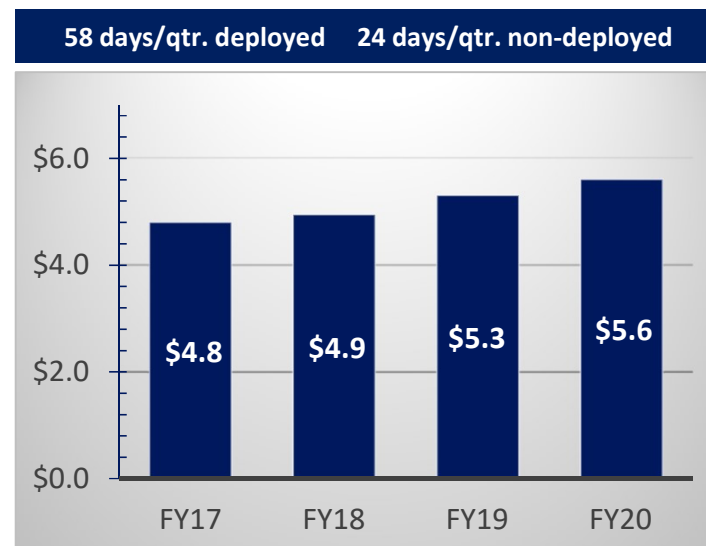
- Ensures ships ready for deployment
- Hires and trains public shipyard workforce and ensures responsible growth in the private sector to increase effective capacity
- Sources Fleet requirements

Enhancing Warfighter Readiness

Agile and Ready

- Resources battle force ships to achieve Fleet operations of 58 days/qtr. deployed
- Prepares the Fleet to deploy in every AOR around the world
- Prioritizes preparedness for war
- Strengthens partnerships through operations and cooperative exercises

Ship Operations



Marine Corps Ground Equipment & Readiness

Graphs shown in \$ billions

Marine Corps Ground Equip.

Modernize Key Capabilities



Modernize Key Capabilities

- Resets ground equipment programs
- Transitions to the Amphibious Combat Vehicle (ACV)
- Reconstitutes weapon systems and equipment

Dynamic Force Employment

- Achieves 82% availability and 93% serviceability of our reportable ground equipment

Ready Combat Forces

Build a More Lethal Force

- Prioritizes preparedness for war
- Modernizes key capabilities
- Evolves innovative operational concepts

Develop Agile, Resilient Force Posture

- Ready forces to proactively shape the strategic environment
- Ready to respond to contingencies
- Ensures long-term warfighting readiness

Marine Corps Readiness

Operating Forces



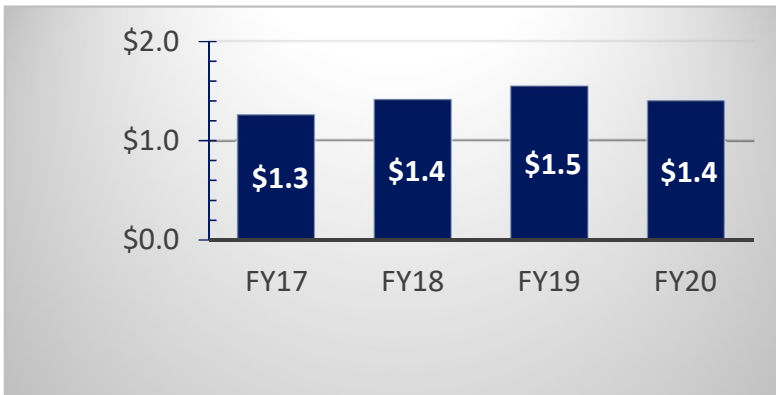
Numbers may not add due to rounding

Aircraft Depot & Air Operations

Graphs shown in \$ billions

Aircraft Depot Maintenance

# of Airframes	540	558	635	584
# of Engines	1,693	2,218	1,884	2,176



Improve High-End Readiness

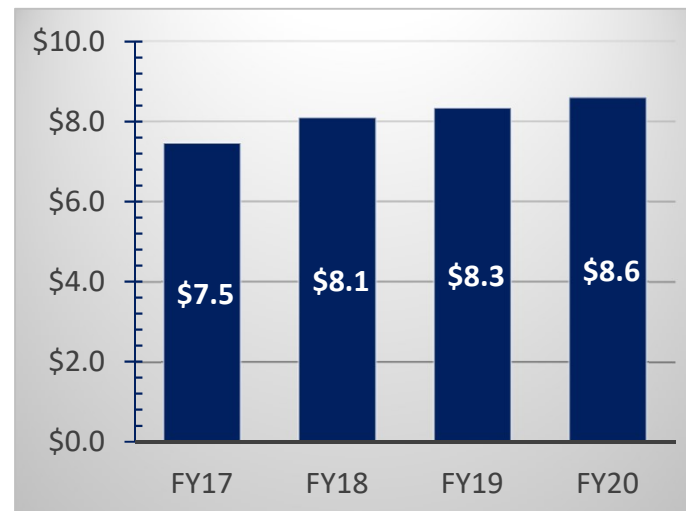
- Funds to maximize through-put
- Goal of 80% mission capable Strike Fighters
- Realigns investments to spares, aviation engineering and logistics support
- Naval Sustainment Strategy improves maintenance processes

Increasing mission capability of critical aviation platforms

Agile and Ready

- Delivers all deploying Navy and Marine Corps squadrons, combat-ready
- Increases mission-ready aircraft on the flight line
- Ensures proficiency to execute high-end flight

Air Operations

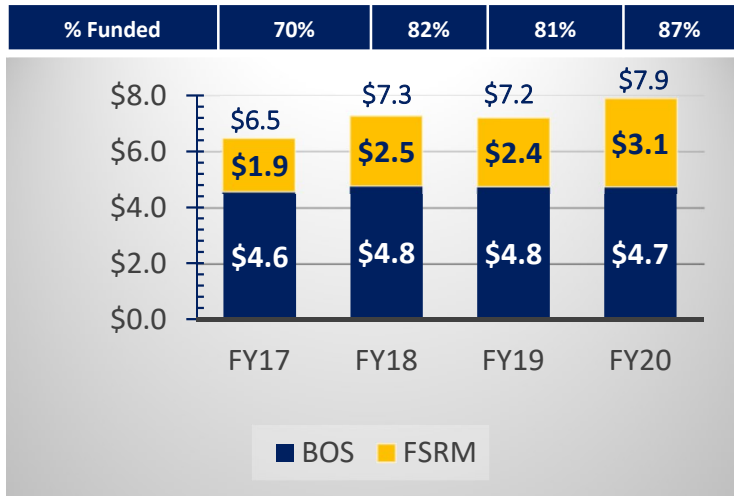


Installations & Facilities

Graphs shown in \$ billions

Navy: Installation & Facilities Support

Navy 87% of Facility Sustainment Model



Prioritizes Shore Investments to Increase Fleet Readiness

- Increases facilities sustainment investment to maintain material condition
- Invests in shipyard infrastructure to improve performance and throughput

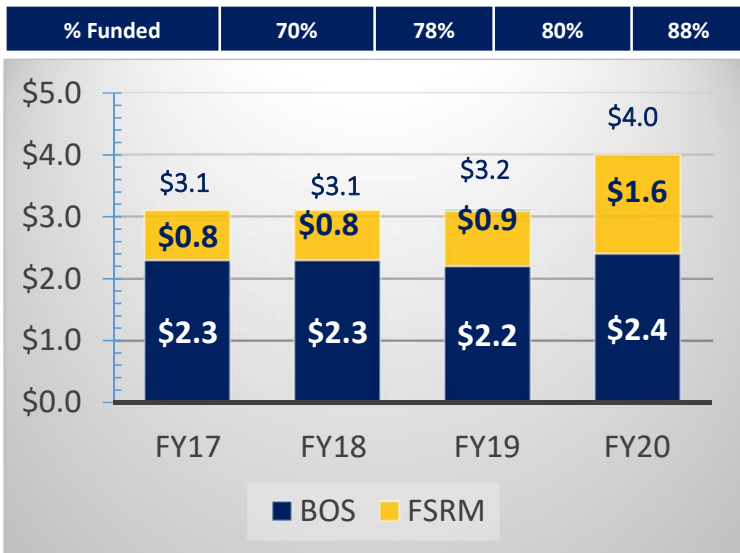
Readiness through Infrastructure

Force Generation Enablers

- Implements Commandant's Infrastructure Reset Strategy optimizing infrastructure footprint
- Hurricane recovery at multiple critical locations

USMC: Installation & Facilities Support

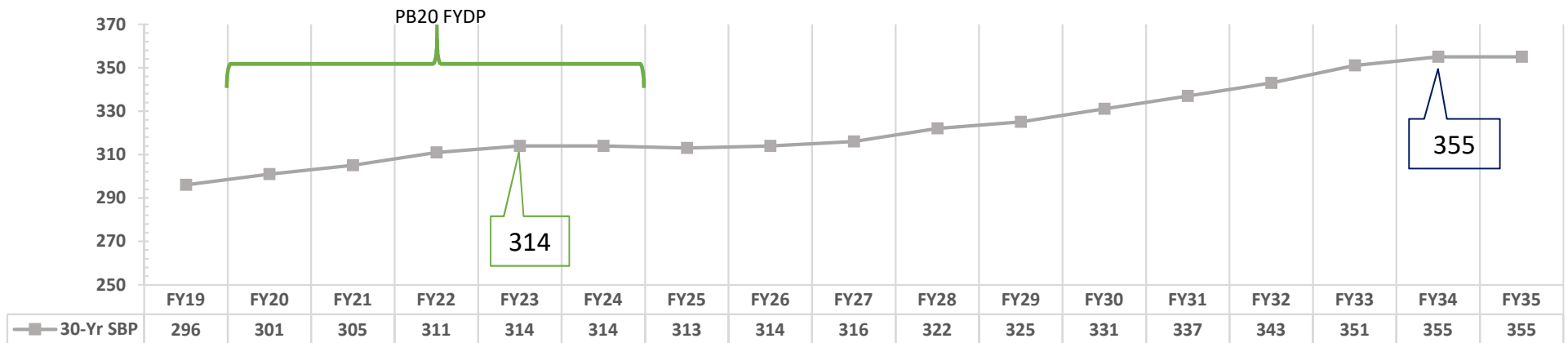
USMC 88% of Facility Sustainment Model



Numbers may not add due to rounding

Graphs shown in quantity

BATTLE FORCE SHIP INVENTORY: 314 BY FY 2023

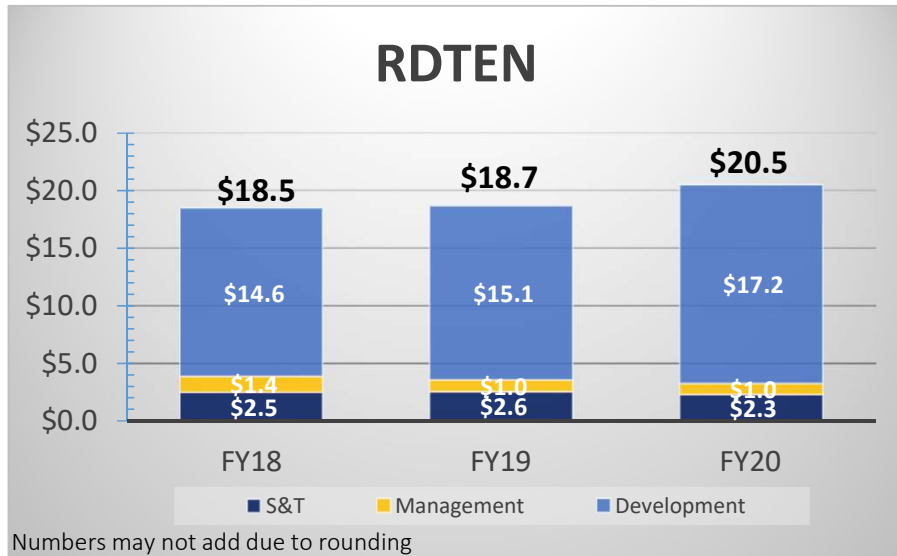


Balanced Investments to Grow Capacity

- Aligns people to force structure changes
- Increases preferred munitions inventory
- Develops and expands unmanned capacity
- Invests in infrastructure to improve shipyard and air depot capacity
- Invests in Strike Fighter aircraft (F-35, F/A-18)
- Grows Information Warfare people, capability, and processes



Graph shown in \$ billions



Better Capability Through Innovation

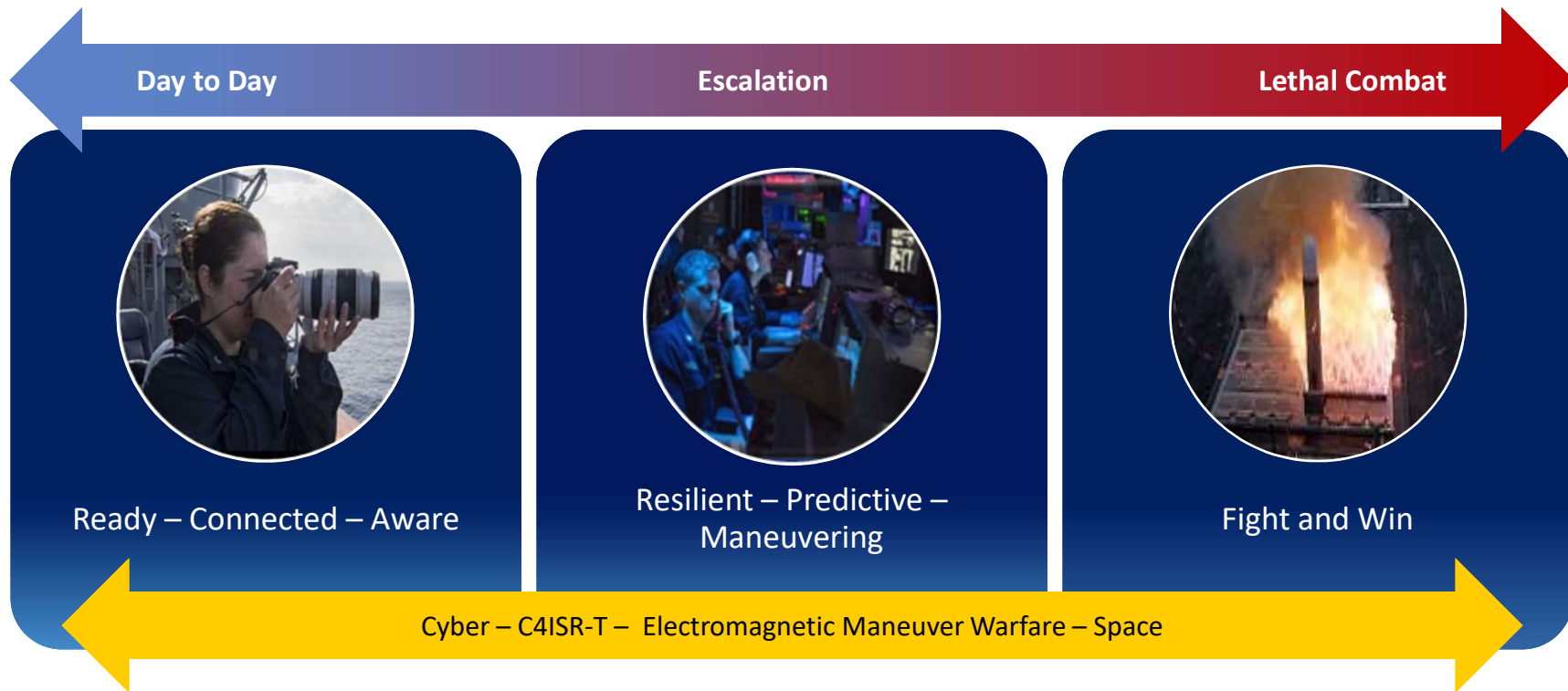
- Investments in Long Range Hypersonic Strike capability:
 - Conventional Prompt Strike & SM-6 BLK 1B
- Maritime Strike Tomahawk
- Marine Corps High-Mobility Artillery Rocket System (HIMARS)
- Navy Laser Family of Systems (NLFoS) provide near term ship-based High Energy Laser weapons capability
- Advance competitive edge with Additive Manufacturing, Rapid Prototyping, Applied Artificial Intelligence/Machine Learning/Big Data Analytics/5G
- Expands offensive and defensive cyber operations
- Resources Science and Technology in alignment with NDS

Major Systems (\$M)	FY18	FY19	FY20
Shipbuilding			
Columbia Class	1,017	733	533
Ford Class Carrier	302	305	287
Small Surface Combatant FFG (X)	138	133	59
Future Large Surface Combatant (LSC)	0	8	71
Common Hull Auxiliary Multi-Mission Platform (CHAMP)	0	18	8
Aviation & Weapons			
Joint Strike Fighter (F-35B/C)	540	594	810
Next Generation Jammer (NGJ INC I&II)	640	543	635
CH-53K King Stallion Development	329	337	517
Presidential Helicopter VH-92A	431	245	187
Conventional Prompt Strike (CPS)	-	11	593
SM-6 Blk 1B	-	-	117
Maritime Strike Tomahawk	-	185	228
USMC Ground			
Amphibious Combat Vehicle (1.1/1.2)	150	66	77
High-Mobility Artillery Rocket System (HIMARS)	3	23	60
Ground-Based Air Defense (GBAD)	68	74	50
Ground/Air Task Oriented Radar (G/ATOR)	54	45	24
Other			
Navy Laser Family of Systems (NLFoS)	154	158	101
Additive Manufacturing	9	48	27
Rapid Prototyping	23	10	36
Applied Artificial Intelligence/Big Data Analytics	14	20	105
Cyber	21	93	127



SM-6

Information Warfare



Bigger

- Information Professionals
- Intelligence
- Cryptologic Warfare
- Naval Meteorology and Oceanography
- Space Cadre
- Marine Expeditionary Force (MEF) Information Group

Better

- Networking in a Contested Environment (Naval Tactical Grid)
- Information Warfare (IW) Agility in Distributed Maritime Operations
- Cyberspace and Space Operations
- Predictive Intelligence and Precision Navigation & Timing

Ready

- IW Enterprise
- Naval Information Warfighting Development Center
- IW Training Command
- IW Commander Afloat
- Sustainability for Great Power Competition
- Marine Corps Forces Cyber Command

Unmanned Systems

Chart shown in quantity

Program	FY19	FY20	FY21	FY22	FY23	FY24	FYDP
Unmanned Surface Vessel							
Large Unmanned Surface Vessel ^{1,2}	0	2	2	2	2	2	10
Unmanned Undersea Vehicle							
MK-18 Unmanned Undersea Vehicle ³	27	27	30	27	27	24	135
Small/Medium Unmanned Undersea Vehicle ^{2,3}	8	8	12	8	6	10	44
Large Diameter Unmanned Undersea Vehicle (LDUUV) ²	0	0	1	0	2	0	3
Extra Large Unmanned Undersea Vehicle (XLUUV) ^{1,2}	0	2	2	1	2	2	9
Unmanned Aerial Vehicle							
MQ-4C Triton UAS (NAVY) ⁴	3	2	2	3	5	5	17
MQ-25 Stingray (NAVY) ⁴	0	0	0	0	4	4	8
MQ-9A Reaper (USMC) ^{1,4}	0	3	3	0	0	0	6
TOTAL	38	44	52	41	48	47	232

¹ Contains offensive missile capability. ² Budgeted in RDTE,N. ³ Budgeted in OPN. ⁴ Budgeted in APN.



Expands the Competitive Space

Shipbuilding Procurement Plan

Chart shown in quantity

Program	FY19	FY20	FY21	FY22	FY23	FY24	FYDP
Battle Force Ships New Construction							
Columbia Class Submarine (SSBN 826)	AP	0	1	0	0	1	2
Ford Class Aircraft Carrier (CVN 78)	0	1	0	0	0	0	1
Virginia Class Submarine (SSN 774)	2	3	2	2	2	2	11
Arleigh Burke Class Destroyer (DDG 51)	3	3	2	2	3	3	13
Freedom/Independence Class Littoral Combat Ship (LCS) (LCS 1/2)	3	0	0	0	0	0	0
Small Surface Combatant FFG (X)	0	1	2	2	2	2	9
America Class Amphibious Assault Ship (LHA 6)	0	0	0	0	0	1	1
San Antonio Class Amphibious Transport Dock (LPD 17) (Flight II)	0	0	1	0	1	0	2
Lewis B. Puller Class Expeditionary Sea Base (ESB)(ESB 3)	1	0	0	0	1	0	1
Spearhead Class Expeditionary Fast Transport (EPF) (EPF 1)	1	0	0	0	0	0	0
John Lewis Class Fleet Replenishment Oiler (T-AO 205)	2	2	1	1	2	1	7
T-ATS	1	2	1	1	1	0	5
T-AGOS(X)	0	0	0	1	1	1	3
Other Construction							
LCAC SLEP	1	0	0	0	0	0	0
Ship to Shore Connector	8	0	4	7	5	5	21
LCU 1700	2	4	4	4	4	4	20
Nimitz Class Aircraft Carrier (CVN 74) RCOH	0	1	0	0	0	0	1
T-ARC Cable Laying/Repair Ship	0	0	0	1	0	0	1



55 Battle Force Ships + 10 Large Unmanned Surface Across FYDP

Aviation Procurement Plan

Chart shown in quantity



Program	FY19	FY20	FY21	FY22	FY23	FY24	FYDP
Fixed Wing							
F-35C Lightning II (JSF CV) (NAVY)	11	10	13	24	23	22	92
F-35C Lightning II (JSF CV) (USMC)	4	10	5	5	4	4	28
F-35B Lightning II (JSF STOVL) (USMC)	22	10	15	17	20	20	82
E-2D Advanced Hawkeye (NAVY)	6	4	4	5	5	0	18
FA-18E/F Super Hornet (NAVY)	24	24	24	12	12	12	84
P-8A Poseidon (MMA) (NAVY)	10	6	0	0	0	0	6
T-44 Replacement (NAVY)	0	0	0	0	10	20	30
KC-130J Hercules (USMC)	2	3	5	5	5	3	21
F-5 Tiger II (Navy)	0	11	0	0	0	0	11
F-5 Tiger II (USMC)	0	11	0	0	0	0	11
Rotary Wing							
CH-53K King Stallion (HLR) (USMC)	8	6	12	19	18	19	74
CMV-22 Osprey (COD) (NAVY)	11	10	6	5	4	0	25
MV-22B Osprey (USMC)	2	0	3	6	4	4	17
AH-1Z Viper (USMC)	25	0	0	0	0	0	0
TH-57 Replacement (NAVY)	0	24	23	23	12	0	82
TH-57 Replacement (USMC)	0	8	8	8	3	0	27
VH-92A Presidential Helicopter (USMC)	6	6	5	0	0	0	11
UAV							
MQ-4C Triton UAS (NAVY)	3	2	2	3	5	5	17
MQ-25 Stingray (NAVY)	0	0	0	0	4	4	8
MQ-9A Reaper (USMC)	0	3	3	0	0	0	6

650 Aircraft Across FYDP

Completed Enterprise-Wide Full Scope Audit in FY 2018

- Better stewardship of taxpayer dollars
- Get the right part in the right place at the right time, every time—better inventory management
- Improved flexibility & speed in getting capability to the warfighter
- Transitioning to one modernized Enterprise Resource Planning (ERP) system
 - Eliminate costly legacy systems and improve the fidelity of financial reporting.



Better Quality Financial Information = Increased Lethality

Business Operations Plan Aligns to the NDS

- Divestment of legacy systems and programs
 - CG Service Life Extension
- Acquisition Process improvements
 - 2 CVN Buy
 - Multi-Year Procurement (i.e., F/A-18, DDG 51)
- Business Process Improvements
 - Execution Reviews
 - Ship to Shore Connector
- Business System Improvements
 - Naval Aviation Innovative Solutions
- Policy Reform
 - Performance-to-Plan
 - Streamlining Funds Flow (Reduced Reimbursables)
 - Sailor 2025 – MPT&E; Navy Personnel and Pay System (NP2)



Closing Remarks

"Our highest priority is to address fleet wide readiness by strengthening and leveraging our capabilities, while setting the conditions to modernize and grow capacity. At the same time, we must improve how we deliver capabilities to the fight." --Hon. Richard V. Spencer, Secretary of the Navy



For More Information

The screenshot shows a web browser window with the URL <https://www.secnav.navy.mil/fmc/fmb/Pages/Fiscal-Year-2020.aspx>. The page title is "BUDGET MATERIALS". Below the title is a navigation menu with links for "FM&C", "2020", "2019", "2018", "2017", "2016", "2015", "2014", "2013", "2012", "2011", "2010", "2009", "2008", "2007", "2006", and "Archive".

The main content area features a grid of program categories:

- DEPARTMENT OF THE NAVY SUMMARY**
- PROCUREMENT PROGRAMS**
 - [Aircraft Procurement Programs](#)
 - [Other Procurement Programs](#)
 - [Procurement of Ammunition, Navy and Marine Corps](#)
- MILITARY PERSONNEL PROGRAMS**
- OPERATION & MAINTENANCE PROGRAMS**
- NAVY WORKING CAPITAL FUND**
- OVERSEAS CONTINGENCY OPERATIONS**
- CONSTRUCTION PROGRAMS**
- RESEARCH & DEVELOPMENT PROGRAM**

There is also a link for "External Defense Links" under the Department of the Navy Summary category.

<https://www.secnav.navy.mil/fmc/fmb/Pages/Fiscal-Year-2020.aspx>