

KEY FINDINGS: July 30, 2020 Government Accountability Office (GAO) Report on National Nuclear Security Administration Nuclear Modernization Programs
Produced at the Request of Senators Edward J. Markey (D-Mass) and Dianne Feinstein (D-CA)

❖ **The Department of Defense and NNSA have failed to consider the affordability of their gold-plated nuclear modernization programs.**

- In 2017, the Government Accountability Office (GAO) concluded that NNSA’s budget forecasts for out-year spending downplayed the fact that the Agency lacked the resources to complete multiple, simultaneous billion dollar modernization projects. GAO recommended that NNSA consider “deferring the start of or cancelling specific modernization programs” to flatten the bow-wave – or the sharp uptick in the NNSA’s Weapons Activities budget. Instead, NNSA and the Department of Defense who sets military requirements, went in the opposite direction. **President Trump’s 2018 Nuclear Posture Review (NPR) accelerated, rather than scaled back nuclear modernization.**
- This report from GAO makes it clear that the already awesome figure upwards of \$1.2 trillion the [Congressional Budget Office \(CBO\) estimated](#) that the U.S. will spend over the next three decades on nuclear-weapons spending will end up being a *much larger figure* unless NNSA programs are scaled back or cancelled. Specifically, GAO found that the FY2021 amount for NNSA “Weapon Activities” account far exceeded what the Agency had projected in its FY2020 request as well what it projected in previous years:

Table 2: Comparison of Funding Estimates in NNSA Budget Materials for Fiscal Years (FY) 2017 through 2021

(Dollars in billions)

Budget materials for	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Total
FY 2017	10.5	11.3 ^a	11.5 ^a	11.7 ^a	11.9 ^a	56.9
FY 2019 ^b	12.3	12.7	12.9	13.0 ^a	13.2 ^a	64.1
FY 2020	12.8	13.0	13.1	13.4	13.8 ^a	66.1
FY 2021	15.6	15.9	16.3	16.6	17.0	81.4

Source: GAO analysis of National Nuclear Security Administration (NNSA) information. | GAO-20-573R

Note: Amounts are presented in nominal dollars, which are not adjusted for the effects of inflation. Because of rounding, sums of individual funding projections may not match totals.

^aThe budget estimate is beyond the 5-year Future-Years Nuclear Security Program (FYNSP) in DOE’s budget justification for NNSA for this fiscal year. According to NNSA officials, budget estimates for years beyond the FYNSP—which generally are included in NNSA’s annual *Stockpile Stewardship and Management Plan*—do not require approval by the Office of Management and Budget and reflect more uncertainty.

^bNNSA did not provide budget estimates for the FYNSP or years beyond the FYNSP in its budget materials for fiscal year 2018.

- The July 30, 2020 GAO Report reiterates that NNSA has not completed the kind of affordability analysis that GAO has previously recommended. GAO warns, “it is essential for NNSA to present information to Congress and other key decision maker indicating whether the agency has prioritized certain modernization programs or considered trade-offs (such as deferring or cancelling specific modernization programs).”

❖ **Nuclear weapons programs at NNSA require and will continue to require difficult tradeoffs in other parts of the Defense budget in FY2021 and in the years to come.**

- The President’s FY2021 Budget Request for NNSA calls for a 25% budget increase from the enacted FY2020 amount, which according to the GAO Report, will be have to be sustained over the next five fiscal years. NNSA’s expensive modernization programs require and will continue to require painful offsets in other parts of NNSA budget, such as those that help lock down vulnerable nuclear-material around the world and other parts of the National Defense budget function (“050 Account”). For instance, GAO identifies that axing the procurement of a 2nd Virginia Class Submarine was one such offset to fund NNSA’s weapons activities in the President’s FY2021 Budget Request.

❖ **The Trump Administration has not considered the additional costs to the nuclear weapons enterprise that would result if the New START Treaty were to expire in February 2021, as feared.**

- According to NNSA officials, **NNSA has not yet considered how the potential expiration of New START would affect its key funding projections.** They say that those projections are simply based on the Pentagon's current requirements and do not account for the end of caps on the Russian and U.S. nuclear arsenals. And according to Department of Defense officials, the Pentagon is basing its plans on the assumption that New START will be extended. GAO also states that NNSA's current modernization schedule means that capacity to implement additional weapons programs beyond those already part of the "program of record" will need to wait until the 2030s (adding credence to the view that Russia is at a distinct advantage to be able to ramp up its strategic nuclear arsenal upon New START expiration given the earlier timing of its modernization cycle).
- Despite a possible expiration of New START fewer than six months from today, the July 30th GAO Report writes that Department of Defense officials assume that the mutual limits under the Treaty will stay in place over the next five fiscal years: **“According to DoD officials, DOD is basing its plans on the assumption that New START will be extended, and it currently has no plans to change its existing force structure.”**