

<b>Subject:</b> F-35 Supply Chain		<b>DoD Serial Number:</b> FY 19-08 PA
<b>Appropriation Title:</b> Aircraft Procurement, Navy, 19/21		
		<b>Includes Transfer?</b> No

Component Serial Number	<i>(Amounts in Thousands of Dollars)</i>							
	Program Base Reflecting Congressional Action		Program Previously Approved by Sec Def		Reprogramming Action		Revised Program	
Line Item	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
a	b	c	d	e	f	g	h	i

This reprogramming is submitted for prior approval because these actions exceed established reprogramming thresholds. This reprogramming action provides funding in support of a higher priority item, based on unforeseen military requirements, than those for which the funds were originally appropriated; and is determined to be necessary in the national interest. It meets all administrative and legal requirements, and none of these items has previously been denied by the Congress.

This reprogramming action realigns \$206.0 million within the Aircraft Procurement, Navy, 19/21, appropriation.

<b><u>FY 2019 REPROGRAMMING INCREASES:</u></b>	<b><u>+206,000</u></b>
<b><u>Aircraft Procurement, Navy, 19/21</u></b>	<b><u>+206,000</u></b>
<b><u>Budget Activity 01: Combat Aircraft</u></b>	
Joint Strike Fighter CV	1,953,958      1,953,958      +108,000      2,061,958
JSF STOVL	2,528,047      2,528,047      +98,000      2,626,047

**Explanation:** Funds are required in support of supply chain alternate sourcing for the F-35 program. The Department is already taking steps to establish alternate sources of F-35 components to protect from potential disruption of current sources. These efforts target components manufactured in foreign countries where the U.S. is considering the potential application of sanctions, which would disrupt the F-35 supply chain. This action is necessary to protect F-35 production schedules and supports Phases I and II of the Department of the Navy's supply chain alternate sourcing requirement strategy. Phase I focuses on developing new sources for high-medium risk single source parts, while Phase II will focus on developing new sources for medium-low risk single source parts. The remaining efforts in Phase III (\$155 million) will be further refined and funded during the execution year. This is a congressional special interest item. This is a base budget requirement.

<b><u>FY 2019 REPROGRAMMING DECREASE:</u></b>	<b><u>-206,000</u></b>
<b><u>Aircraft Procurement, Navy, 19/21</u></b>	<b><u>-206,000</u></b>
<b><u>Budget Activity 06: Aircraft Spares and Repair Parts</u></b>	
Spares and Repair Parts	1,880,368      1,880,368      -206,000      1,674,368

**Explanation:** Funds are available due to contract savings achieved during prior year F-35 spares contract negotiations. A portion of the FY 2019 F-35 spares requirement will now be funded using these prior year contract savings, resulting in the FY 2019 funds are available for realignment in support of higher priority requirements within the F-35 program. This is a congressional special interest item. This is base budget funding.

Approved (Signature and Date)

*Elaine McCusker*

*5/31/19*