



EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503

July 10, 2003  
(Senate)

## STATEMENT OF ADMINISTRATION POLICY

(THIS STATEMENT HAS BEEN COORDINATED BY OMB WITH THE CONCERNED AGENCIES.)

### **S. 1357 – Military Construction Appropriations Bill, FY 2004**

(Sponsors: Stevens (R), Alaska; Byrd (D), West Virginia)

The Administration supports Senate passage of the FY 2004 Military Construction Appropriations Bill. The bill ensures that the Nation's military construction priorities are met, and provides resources and infrastructure for our fighting forces at home and abroad. In particular, we appreciate the level of support for Base Realignment and Closure and the critical resources needed to improve the quality of housing for our service men and women and their families.

The Administration applauds the Senate Committee for reporting a bill that is fiscally responsible. The President supports a discretionary spending total of \$784.7 billion, along with advance appropriations of \$23.2 billion for FY 2005 -- consistent with his Budget and the FY 2004 Congressional Budget Resolution. Only within such a fiscal environment can we encourage increased economic growth and a return to a balanced budget.

The bill provides \$9.1 billion for military construction and family housing, \$79 million above the President's request. While the bill contains a number of unrequested projects, it provides resources critical to improving service members' quality of life. The Administration has several specific concerns with the Senate bill and will work with the Congress on these and other issues as the bill moves through the legislative process.

#### Overseas Basing:

- The Administration is concerned that the Senate bill does not support the Administration's amended budget request for military construction projects in Germany and Korea. The amended request reflects an assessment made by the Department of Defense on changes to the U.S. overseas basing strategy. Projects funded are at locations that will remain key to our overseas basing posture. The Administration strongly urges the Senate to support the German and Korean projects.
- The Administration opposes Section 128, which would establish a commission to review the Department of Defense's overseas presence, and believes the commission is unnecessary given that the Department has accelerated its ongoing review of the global position of forces and

supporting infrastructure and plans to inform the Congress of its recommendations. In addition, the Commission would be composed of members appointed by the Congressional leadership and would, therefore, be part of the Legislative Branch. Any Commission request for confidential information from Federal departments or agencies must be considered in light of the President's constitutional responsibility to protect confidential information.

#### Perchlorate Study:

- The Administration supports the Senate Committee's intent regarding identifying the sources of perchlorate contamination at base realignment and closure sites. However, the feasibility of completing the assessment within the timeframe specified is questionable and funding to cover these costs is not included in the bill.

#### Constitutional Concerns

- Sections 107, 110, and 113 of the bill provide for notice to the Congress of relocation of activities between military installations, initiation of a new installation abroad, or U.S. military exercises involving \$100,000 in construction costs. Such provisions should recognize that although the notice can be provided in most situations as a matter of comity, situations may arise, especially in wartime, in which the President must act promptly under his constitutional grants of executive power and authority as Commander in Chief while protecting sensitive national security information.

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