



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

June 23, 2011
(House)

STATEMENT OF ADMINISTRATION POLICY

H.R. 2219 — Department of Defense Appropriations Act, 2012

(Rep. Rogers, R-KY)

This Statement of Administration Policy provides the Administration's views on the Department of Defense Appropriations Act, 2012, as reported by the House Appropriations Committee. The Administration is committed to ensuring the Nation lives within its means and reducing the deficit so that the Nation can compete in the global economy and win the future. That is why the President put forth a comprehensive fiscal framework that reduces the deficit by \$4 trillion, supports economic growth and long-term job creation, protects critical investments, meets the commitments made to provide dignity and security to Americans no matter their circumstances, and provides for our national security.

The Administration strongly opposes a number of provisions in this bill. If a bill is presented to the President that undermines his ability as Commander in Chief or includes ideological or political policy riders, the President's senior advisors would recommend a veto.

While overall funding limits and subsequent allocations remain unclear pending the outcome of ongoing bipartisan, bicameral discussions between the Administration and congressional leadership on the Nation's long-term fiscal picture, the Administration has concerns regarding the level of resources the bill would provide for programs necessary to meet national security, including:

Conventional Prompt Global Strike (CPGS). Current systems do not provide the President with a timely, global, non-nuclear strike capability to address fleeting, time-sensitive targets. The importance of this requirement is documented in the 2010 Nuclear Posture Review and was an element in support of ratification of the New START Treaty. This bill would limit the Department of Defense's (DOD's) ability to assemble critical CPGS technology data, delay transition from technology development to an acquisition program, and ultimately delay deployment of a CPGS system by two years.

Advance Appropriations for Acquisitions. The bill would provide only incremental funding – undermining stability and cost discipline – rather than the advance appropriations that the Administration requested for the procurement of Advanced Extremely High Frequency satellites and certain classified programs.

Joint Urgent Operational Needs Fund (JUONF). The bill would eliminate base and Overseas Contingency Operations JUONF funding, critical to DOD's ability to quickly respond to urgent warfighter needs and effectively address Combatant Commanders' urgent operational requirements in a timely manner.

Deep Space Climate Observatory (DSCOVR) Spacecraft. The level of resources the bill would provide for the Air Force's Rocket Systems Launch Program would prevent DOD from launching the refurbished DSCOVR spacecraft, part of an interagency partnership with the Department of

Commerce, which would provide forecasts of geomagnetic storm conditions and imminent warnings of adverse solar events, helping to protect the Nation's military and economic assets including our commercial electric grid and communications and airline operations.

Medium Extended Air Defense Systems (MEADS). The Administration appreciates the support for DOD's air and missile defense programs; however, the level of resources the bill would provide for the MEADS program could trigger unilateral withdrawal by the U.S. from the MEADS Memorandum of Understanding (MOU) with Germany and Italy, which could further lead to a DOD obligation to pay all contract costs – a scenario that would likely exceed the cost of satisfying DOD's commitment under the MOU. This reduction also could call into question DOD's ability to honor its financial commitments in other binding cooperative MOUs and have adverse consequences for other international cooperative programs.

Base Realignment and Closure (BRAC) Actions. Section 8112 of the bill would impede the Secretary's ability to make and implement force management decisions that would ensure resources are directed to the highest priorities.

Investment in Innovation. The bill's funding level for the Defense Advanced Research Projects Agency for high-priority science and technology programs would undermine the Nation's ability to invest in innovation and ideas that would have long-term benefits for the country's national security and economy.

Assured SATCOM Services In Single Theater (ASSIST). Acquiring the satellite as part of the ASSIST program as proposed in the 2012 Budget would be far more cost effective than the Committee's proposed alternative which would result in DOD continuing to lease commercial satellites while procuring a Wideband Global Satellite that would not be ready for many years.

C-17 Transport Aircraft. Additional funding for an unrequested C-17 airlift is unnecessary and diverts resources that could be used for higher priority programs, since analyses by DOD have shown that there are already more C-17s in the force and on order than are needed to meet the Department's current and future airlift needs, even under the most stressing situations.

Intelligence Community Management Account. The reduction in funding for this account would impair the Director of National Intelligence's ability to lead Intelligence Community integration and oversight.

Classified Programs. The Administration looks forward to providing its views on the Classified Annex to the bill once it becomes available.

The bill includes the following problematic policy and language issues:

Prohibition of TRICARE Prime Increases for One Year. Language in the report, which is incorporated into statute by section 8006, would seek to prohibit TRICARE Prime enrollment fee increases for one year. This language is contrary to the House-passed version of the National Defense Authorization Act for fiscal year 2012, and would hinder implementation of the TRICARE proposals included in the President's Budget. The Administration understands this language was added inadvertently, and requests that it be deleted from the report.

Office of Security Cooperation-Iraq (OSC-I). The Department appreciates the funding provided for OSC-I; section 9013 of the bill does not authorize funding for Security Assistance Teams (SATs) in

Iraq or the operations and activities of the OSC-I within the funds provided. The requested funding supports SATs for 2012, which is needed to accomplish the OSC-I mission. Section 9013, as currently worded, would eliminate the Department's ability to support SATs, which implement the Iraqi Security Forces Mission Essential Capability development program.

Intelligence Community Reprogramming Thresholds and General Transfer Authority (GTA). The Administration objects to sections 8091, 8092 and 8120, which would reduce the Director of National Intelligence's ability to respond quickly to unforeseen and emergent requirements.

Military Information Support Operations. Section 8119 of the bill restricts the use of funding in the base budget for Information Operations/Military Information Support Operations activities. These activities are a core capability of the Department and support military objectives during peacetime and contingency operations.

Detainee Matters. The Administration strongly objects to the provisions that limit the use of authorized funds to transfer detainees and otherwise restrict detainee transfers. Although the Administration opposes the release of detainees within the United States, section 8123 is a dangerous and extraordinary challenge to critical Executive branch authority to determine when and where to prosecute detainees, based on the facts and the circumstances of each case and national security interests. It unnecessarily constrains the Nation's counterterrorism efforts and would undermine national security, particularly where Federal courts are the best – or even the only – option for incapacitating dangerous terrorists. For decades, presidents of both political parties have leveraged the flexibility and strength of this country's criminal justice system to incapacitate dangerous terrorists and gather critical intelligence. The prosecution of terrorists in Federal court is an essential element of counterterrorism efforts – a powerful tool that must remain an available option. The certification requirement in section 8124, restricting transfers to foreign countries, interferes with the authority of the Executive branch to make important foreign policy and national security determinations regarding whether and under what circumstances such transfers should occur. Broadly speaking, the detention provisions in HR 2219 seek to reduce the flexibility and decision making of our military, intelligence, and law enforcement personnel. Those professionals have successfully led a Government-wide effort to disrupt, dismantle and defeat al-Qa'ida over several Administrations. The Administration believes strongly that it is a mistake for members of Congress to overrule or limit the tactical flexibility of the Nation's counterterrorism professionals, including our military commanders, intelligence professionals, seasoned counterterrorism prosecutors, or other operators in the field.

The Administration looks forward to working with the Congress as the fiscal year 2012 appropriations process moves forward to ensure the Administration can support enactment of the legislation.

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