



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

September 25, 2009
(Senate)

STATEMENT OF ADMINISTRATION POLICY

H.R. 3326 – Department of Defense Appropriations Act, 2010

(Sen. Inouye, D-Hawaii)

The Administration strongly supports Senate passage of H.R. 3326, with the Senate Committee-reported text, making appropriations for the Department of Defense for the fiscal year ending September 30, 2010.

The Administration is committed to keeping the United States military the strongest and most capable military in the world. The President's strategy increases training, resources, and support for the U.S. Armed Forces. To keep the United States secure, the Armed Forces must have sufficient resources to prevail in current operations while maintaining and developing new capabilities to deter potential adversaries and prepare for other risks and contingencies. This legislation, as approved by the Senate Committee on Appropriations, advances many initiatives in line with the President's goals.

The President and the Nation's military leadership have put forward a strategy for Afghanistan and Pakistan so that all elements of national power are engaged and integrated in an effort to defeat al Qaeda and prevent attacks on the homeland as well as on U.S. allies and partners. In Iraq, the United States is moving forward with a responsible drawdown of combat forces, having transferred security responsibilities to Iraq's forces. The legislation, as approved by the Committee, provides critical resources to enable this to happen.

The Administration has recognized the importance of requesting a full year's resources for these operations. Providing full-year funding will give troops carrying out operations overseas the ability to plan operations more effectively and will cause far less disruption in base programs. By providing a full year's funding up front for these operations, the Committee follows through on the President's request, and ends the disruptions caused by relying on supplemental funding. In addition, the Administration urges the Congress to clearly delineate war spending from base funding in both classified and unclassified programs, as presented in the President's request.

Supporting servicemembers and their families is a top priority for the President and the Department of Defense (DOD). This includes increasing the size of the Army to reduce the strain on military families, and additional help to put an end to the practice of holding servicemembers past their initial commitment. It also includes easing the burdens on U.S. troops and their families with increased pay, quality child care, job training for spouses, and expanded counseling and outreach to families that have experienced the separation and stress of war. The legislation builds on the progress in the Fiscal Year 2009 Supplemental Appropriations Act with necessary resources to meet these commitments.

The President has also requested significant new resources for military medical care, with additional Army wounded-warrior complexes and increased resources to address traumatic brain injuries and mental health needs. The Committee legislation meets the President's goals with funding that advances first-class medical care for servicemembers and their families.

The Administration believes that, while the Committee has made important investments in the Nation's defense, there are significant ways in which the current bill can be strengthened and looks forward to working with the Congress on this effort.

The Administration would like to take this opportunity to share additional views regarding the Committee's version of the bill.

Support for the President's Priorities. The Administration appreciates the Committee's support for the President's initiatives proposed to reshape our military posture and get the most benefit from every Defense budget dollar. The Administration commends the Committee for its support for the termination of programs that are no longer needed or are not performing as intended. The Administration appreciates that the Committee does not include unrequested funding for three such programs that could result in a veto – unrequested advance procurement funding for the F-22 fighter aircraft, the continued development of the Joint Strike Fighter Alternate Engine, and additional funding for the VH-71 Presidential Helicopter Program. The Congress is urged to oppose funding these programs during floor action and in conference.

C-17 Transport Aircraft. The Administration strongly objects to the addition of \$2.5 billion in funding for 10 unrequested C-17 airlift aircraft. Analyses by DOD have shown that the 205 C-17s in the force and on order, together with the existing fleet of C-5 aircraft, are sufficient to meet the Department's future airlift needs, even under the most stressing situations.

Operation and Maintenance (O&M). The Administration strongly opposes the bill's reductions totaling over \$3 billion from O&M accounts (excluding Defense Health Program) – through direct cuts and cuts mandated in sections 8091 and 8100. These reductions would hurt force readiness and increase stress on military people and equipment.

Helicopter Training. The Administration appreciates the Committee's realignment of \$142 million in Army O&M funding as part of the Administration's initiative to add \$500 million to increase our military's helicopter capacity. This initiative is especially key to sustaining progress in Afghanistan.

Afghanistan Security Forces Fund (ASFF). The Administration opposes the reduction of \$900 million for ASFF sustainment. Accelerating the growth in size and capability of the Afghanistan National Security Forces is a key component of the U.S. strategy in Afghanistan. The President's full request reflects his commanders' plan for Afghan forces to assume a greater share of responsibility for security as quickly as possible.

Security and Stabilization Assistance (Section 1207). The Administration urges that funding is provided as requested for section 1207 reconstruction stabilization assistance.

Alaska Territorial Guard. The Administration objects to a new General Provision that would count as "active duty" service the time Alaska Territorial Guard members served during World

War II. This provision would establish a precedent of treating service performed by a State employee as active duty for purposes of the computation of retired pay.

Funding in Advance of Need. The Administration appreciates the Committee's funding for the President's \$9.3 billion request for missile defense programs. However, the Administration opposes the addition of \$41 million for long-lead procurement of the next TPY-2 radar because the funding is well in advance of need and would incrementally fund a capability that should be fully funded in future budgets.

Classified Programs. The Administration also appreciates the Committee's strong support for classified activities, including cyber security. However, the Administration has significant concerns with some of the Committee's reductions, particularly to certain compartmented programs, including the "Connect the Centers" cyber security initiative, and the Business Transformation Office. The details of these concerns will be provided under separate cover.

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