



H.R. 1268 - Emergency Supplemental Appropriations Act for Defense, the Global War on Terror, and Tsunami Relief, 2005

Calendar No. 67

On April 6, 2005, the Appropriations Committee reported H.R. 1268 with an amendment in the nature of a substitute; S. Report 109-52.

Noteworthy

- By a unanimous consent agreement reached on April 6, the Senate will begin consideration of H.R. 1268 today. The agreement does not address time or amendments.
- The Committee-passed bill includes \$80.58 billion for operations in Iraq and Afghanistan, the war on terror, tsunami relief and rehabilitation, and other activities. The committee-passed level of funding is \$1.46 billion below the President's request and \$785 million below the House-passed bill.
- The Committee-passed bill includes \$74.4 billion for defense-related programs, primarily the costs of continuing operations in Afghanistan and Iraq. It also includes \$4.3 billion for International Security Programs (foreign aid), which is \$1.3 billion below the President's request, but \$1.1 billion above the House-passed bill.
- The Committee-passed bill includes \$907.3 million for Indian Ocean tsunami relief, including \$656 million for the Recovery and Reconstruction Fund.
- On March 16, the House passed H.R. 1268, its version of the Emergency Supplemental Appropriations Act by a vote of 388 to 43. H.R. 1268 contains a Division B, which is the REAL ID Act of 2005.
- The Committee-passed bill does not include division B of the House bill. Identical language is contained in H.R. 418, which passed the House on February 10, 2005, and was referred to the Senate Judiciary Committee.

Highlights

	<u>Bush Request</u>	<u>House-passed Bill</u>	<u>Senate-reported Bill</u>
Title I (Defense Related)	\$75.0 billion	\$76.8 billion	\$74.4 billion
Title II (Int'l Security Programs)	\$5.6 billion	\$3.3 billion	\$4.3 billion
Title III (Domestic War on Terror)	\$418.3 million	\$357.8 million	\$687.1 million
Title IV (Indian Ocean Tsunami Relief)	\$949.6 million	\$907.6 million	\$907.3 million
Title V (Other Emergency Approps.)	<u>\$101.8 million</u>	N/A	<u>\$238.4 million</u>
TOTAL¹	\$82.04 billion	\$81.37 billion	\$80.58 billion

Bill Provisions

Note: Unless there is a notation to the contrary, assume all funding has been designated as emergency.

Title I – Defense-Related Appropriations

Chapter 1: Subcommittee on Defense

Military Personnel: Provides \$17.5 billion for the Department's Military Personnel, which is \$662.7 million above the President's request, and \$2 billion above the House-passed bill. Of this funding, \$13.9 billion is for the **Army**; \$545.4 million is for the **Navy**; \$1.4 billion is for the **Marine Corps**; and \$1.7 billion is for the **Air Force**. This spending includes funding for pay, allowances, subsistence, and other personnel costs for Active, Guard, and Reserve troops activated to duty in Iraq, Afghanistan, and other areas around the world in support of Operation Iraqi Freedom, Operation Enduring Freedom, and the Global War on Terror.

Operation and Maintenance: Provides \$37.4 billion for Operation and Maintenance accounts in support of Operation Iraqi Freedom and Operation Enduring Freedom, which is \$637.3 million below the President's request and \$63.2 million below the House-passed bill. Of this funding, \$17.1 billion is for the **Army**; \$3.5 billion is for the **Navy**; \$995 million is for the **Marine Corps**; \$5.5 billion is for the **Air Force**; \$3.3 billion is

¹ Figure totals were taken from S. Rept. 109-52. Any difference in the totals is due to rounding.

for **Defense-Wide**; \$1.3 billion is for the **Afghanistan Security Forces Fund**; and \$5.7 billion is for the **Iraq Security Forces Fund**. This spending provides funds for the incremental cost of ground operations, flying hours, logistics support, fuel, travel, and transportation.

Procurement: Provides \$15.9 billion for procurement in various procurement accounts, which is \$264.4 million below the President's request, and \$2.4 billion below the House-passed bill. Of this funding, \$458.7 million is for **Army** aircraft procurement; \$280.3 million is for **Army** missile procurement; \$2.4 billion is for **Army** weapons and Tracked Combat Vehicles procurement; \$475 million is for **Army** ammunition procurement; \$5.3 billion is for Other **Army** procurement; \$200.3 million is for **Navy** aircraft procurement; \$66 million is for **Navy** weapons procurement; \$133.6 million is for **Navy and Marine Corps** ammunition procurement; \$78.4 million is for Other **Navy** procurement; \$2.9 billion is for **Marine Corps** procurement; \$269.3 million is for **Air Force** aircraft procurement; \$7 million is for **Air Force** ammunition procurement; \$2.7 billion is for Other **Air Force** procurement; and \$591.3 million is for **Defense-Wide** procurement. This spending provides funds for force protection equipment, the restoration of equipment lost in operations, the recapitalization of equipment used in operations, and the equipping of units supporting upcoming rotations.

Report Language (Electronic Jammers (Warlocks)): Within Other Army Procurement, the Committee is concerned that the supplemental request did not include funding for electronic jammers used to combat remote-controlled bombs in Iraq when the Army is drastically short on the number of jammers required for force protection in the theater. The Committee included \$25 million for Warlock electronic jamming systems.

Research, Development, Test and Evaluation: Provides \$552.3 million in various research, development, test, and evaluation accounts, which is \$92 million above the President's request, and \$44 million above the House-passed bill. Of this funding, \$37.2 million is for the **Army**; \$179.1 million is for the **Navy**; \$132.5 million is for the **Air Force**; and \$203.6 million is for **Defense-Wide**. This spending provides funds that support Army modularity, force protection, equipment improvements, and classified activities.

Revolving and Management Funds: Provides \$1.3 billion for Revolving and Management Funds, which is equal to the President's request and \$100 million below the House-passed bill. Nearly all of the funding provided is for the Defense Working Capital Funds, except for \$32.4 million for the National Defense Sealift Fund.

Other Department of Defense Programs: Provides \$452.7 million for a range of Department programs. This funding includes: \$225.6 million for the Defense Health Program; \$227 million for Drug Interdiction and Counter-Drug Activities (only in Afghanistan and Pakistan); and \$148,000 for the Inspector General.

Report Language (Chemical Demilitarization): The Committee expressed concern with the status of the Chemical Demilitarization program. The cost of operations and

development of new facilities is growing at a disturbing rate. The Committee acknowledged that the Department is conducting a study to determine options to address the cost growth and funding issues. The Committee does not support the use of appropriated funds that consider transporting chemical munitions across state lines. The Department has been required to report back to the Congress within 90 days on a number of relevant issues.

Related Agency: Provides \$89.3 million for the Intelligence Community Management Account, which is \$161 million below both the President’s request and the House-passed bill.

General Provisions: The Chapter includes a number of general provisions on a range of issues. Of note, Section 1111 increases the maximum amount payable under Servicemembers’ Group Life Insurance to an amount of \$400,000. Section 1112 increases the death gratuity payment to an amount of \$100,000 in cases when death results from wounds, injuries, or illness that are combat-related or occurs in a combat operation or combat zone.

Chapter 2: Subcommittee on Military Construction and Veterans Affairs, and Related Agencies

Military Construction: Provides \$897.2 million for **Army** military construction, which is \$92.9 million below the President’s request and \$32.9 million below the House-passed bill; \$107.4 million for **Navy and Marine Corps** military construction, which is \$14.7 million above the House-passed bill (the President did not submit a request); and \$141 million for **Air Force** military construction, which is \$160.5 million below the President’s request and \$160.4 million below the House-passed bill.

Title II – International Security Programs

Chapter 1: Subcommittee on Agriculture, Rural Development, and Related Agencies

Public Law 480 Title II Land Grants: Provides \$150 million to reimburse the “Public Law 480 Title II Grants” account, which is equal to both the President’s request and the House-passed bill. This spending is used to address emergency food needs for individuals in need of humanitarian assistance in the **Darfur Region of Sudan**.

Chapter 2: Subcommittee on State, Foreign Operations, and Related Programs

Diplomatic and Consular Programs: Provides \$757.7 million for Diplomatic and Consular Programs, which is \$9.5 million below the President’s request and \$9.2 million above the House-passed bill. This spending funds logistical, security, and other costs

associated with operations in Afghanistan, and the initial costs for the Active Response Corps.

Embassy Security, Construction, and Maintenance: Provides \$592 million for construction of a New Embassy Compound in Iraq, which is \$66 million less than the Administration's request. Although the House-passed bill does include \$592 million, it includes a provision that prohibits the use of such funds for embassy construction.

Contributions for International Peacekeeping Activities: Provides \$680 million for Contributions for International Peacekeeping Activities, which is \$100 million below the President's request, and \$100 million above the House-passed bill. This spending funds peacekeeping costs assessed by the United Nations and established by the Security Council.

International Broadcasting Operations: Provides \$4.8 million for International Broadcasting Operations, which is equal to the President's request and the House-passed bill.

Broadcasting Capital Improvements: Provides \$2.5 million for Broadcasting Capital Improvements, which is equal to the President's request. The House-passed bill did not include similar funding. This spending funds improvements to transmitting systems in Tajikistan.

United States Agency for International Development (USAID): Provides \$133.9 million for USAID in funds appropriated to the President, which is equal to the President's request and \$13 million above the House-passed bill. Of this funding, \$44 million is for International Disaster and Famine Assistance to address the humanitarian crisis in the Darfur Region of Sudan; \$63 million is for Transition Initiatives for rehabilitation and reconstruction activities in Sudan in support of the implementation of the Comprehensive Peace Agreement signed on January 9, 2005; \$24.4 million is for operating expenses; and \$2.5 million is for the Inspector General.

Other Bilateral Economic Assistance: Provides \$1.7 billion for Other Bilateral Economic Assistance in funds appropriated to the President, which is \$10 million above the President's request and \$609.4 million above the House-passed bill. Of this funding, \$1.6 billion is for the Economic Support Fund, which includes \$1.3 billion for **Afghanistan**, \$100,000 for **Jordan**, \$200,000 for **West Bank/Gaza**, and \$22,000 for **Sudan**; and \$70 million for Assistance for the Independent States of the Former Soviet Union, which includes \$60 million for Ukraine.

Report Language (Palestinian Authority): The Committee reiterates conditions and restrictions on assistance for the **West Bank, Gaza, and the Palestinian Authority** contained in the General Provisions section of Division D of Public Law 108-447 (FY04 Omnibus) apply to assistance for the West Bank and Gaza in this bill.

Department of State: Provides \$800.5 million for the Department of State programs, which is \$55 million more than the President's request, and \$86 million more than the House-passed bill. Of this funding, \$660 million is for International Narcotics Control and Law Enforcement; \$108.4 million is for Migration and Refugee Assistance; and \$32.1 million is for Nonproliferation, Anti-Terrorism, Demining, and Related Programs.

Global War on Terror Partners Fund: Provides \$40 million for a Global War on Terror Partners Fund, which is \$160 million less than the President's Request. The House-passed bill did not include similar funding. The spending provides economic assistance to partners in the War on Terrorism. Countries directed to receive this assistance include: **Yemen, the Krygyz Republic, Morocco, El Salvador, Mongolia, and Djibouti.**

Military Assistance: Provides \$460 million in funds appropriated to the President for Military Assistance. Of this funding, \$250 million is for the Foreign Military Financing Program (FMFP), and \$210 million is for Peacekeeping Operations (\$200 million of which is for coalition partners contributing forces to operations in Iraq and Afghanistan.) Within the FMFP, \$150 million is available for **Pakistan** and \$100 million is available for **Jordan.**

General Provisions: The Chapter includes a number of general provisions on a range of issues. Of note, Section 2102 requires the President to submit to Congress a report on actions taken by the **Palestinian Authority** (PA) to curb terrorism and provides that up to \$5 million of funds provided for the West Bank and Gaza may be used for an independent audit of the PA expenditures and accounting procedures. Section 2103 rescinds funds previously available for Turkey under the Economic Support Fund through P.L. 108-11 (FY03 Emergency Wartime Supplemental).

Title III – Domestic Appropriations for the War on Terror

Chapter 1: Subcommittee on Commerce, Justice, Science, and Related Agencies

Office of the Inspector General: Provides \$2.5 million for the Department of Justice Office of the Inspector General for its increased responsibilities in overseeing FBI activities in Iraq. Neither the President's request, nor the House-passed bill included similar funding.

United States Marshals: Provides \$11.9 million for the U.S. Marshals Service for needs relating to the protection of Federal judges. Neither the President's request, nor the House-passed bill included similar funding.

Federal Bureau of Investigation (FBI): Provides \$66.5 million for the FBI, which is \$13.5 million below the President's request, and \$12.5 million below the House-passed bill. Of this funding, \$29 million is for FBI activities in Iraq and \$31.5 million for a Terrorist Screening Center.

Drug Enforcement Administration (DEA): Provides \$7.6 million for the DEA, which is equal to both the President's request and the House-passed bill. This spending supports the DEA's counternarcotics efforts to reduce poppy and heroin production in Afghanistan.

Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF): Provides \$5.1 million for the ATF. Neither the President's request nor the House-passed bill included similar funding. Of this funding, \$3.2 million is directed for expenditures in support of the U.S. efforts in Iraq in the areas of explosives enforcement and firearms tracking.

Chapter 2: Subcommittee on Energy and Water, and Related Agencies

National Nuclear Security Administration (NNSA): Provides \$110 million for the NNSA. Of this funding, \$26 million is for weapons activities and \$84 million is for Defense Nuclear Nonproliferation. Of the funds for the Defense Nuclear Nonproliferation, \$55 million is directed to address priorities outside the former Soviet Union to secure nuclear material from diversion or theft by terrorists or States of concern.

Chapter 3: Subcommittee on Homeland Security

Department of Homeland Security (DHS): Provides \$437.2 million for DHS, which is \$276 million above the President's request and the House-passed bill. Of this funding, \$276 million is for Immigration and Customs Enforcement (ICE) and \$161.2 million is for the Coast Guard.

Report Language: While acknowledging base shortfalls in the Immigration and Customs Enforcement budget, the Committee makes clear that this is the final aid that will be provided to ICE to shore up its base. Of the funding included for ICE, not less than \$11 million is to be used for salaries so ICE can lift its hiring freeze.

Chapter 4: Subcommittee on the Legislative Branch

Capitol Police: Provides \$23 million for Capitol Police salaries and expenses, which is \$36.2 million below the Administration's request. The House did not include similar funding.

Architect of the Capitol (AOC): Provides \$23 million for the AOC. Neither the President's request nor the House-passed bill included similar funding. This spending will fund construction of an off-site delivery facility, since construction of the new baseball stadium will force the Capitol Police to relocate from its current site within the year.

Title IV – Indian Ocean Tsunami Relief

Chapter 1: Subcommittee on Commerce, Justice, Science, and Related Agencies

National Oceanic and Atmospheric Administration (NOAA): Provides \$17.2 million for NOAA, which is \$2.7 million more than the President’s request and the House-passed bill. Of this funding, \$7 million is for the expansion and enhancement of the United States tsunami warning capabilities; and \$10.2 million is for: the acquisition of tsunami detecting buoys; the expansion of the Pacific Tsunami Warning Center; and improvement of the seismic measurements.

Chapter 2: Subcommittee on Defense

Operation and Maintenance: Provides \$222 million for Department Operation and Maintenance to reimburse the military for services provided following the December 2004 Tsunami in Southeast Asia. Of this funding, \$124.1 million is for the **Navy**; \$2.8 million is for the **Marine Corps**; \$30 million is for the **Air Force**; \$29.2 million is for **Defense-Wide**; and \$36 million is for Overseas Humanitarian, Disaster, and Civic Aid.

Other Department of Defense Programs: Provides \$3.6 million for the Defense Health Program, which is equal to both the President’s request and the House-passed bill.

Chapter 3: Subcommittee on Homeland Security

United States Coast Guard: Provides \$350,000 for the U.S. Coast Guard, which is equal to the President’s request and the House-passed bill. This spending will fund the incremental costs of U.S. Coast Guard air operations in support of the tsunami relief effort in Southeast Asia.

Chapter 4: Subcommittee on Interior

United States Geological Survey (USGS): Provides \$8.1 million for the USGS, which is equal to both the President’s request and the House-passed bill. This spending will accelerate improvements of the USGS’s seismic monitoring capabilities.

Chapter 5: Subcommittee on State, Foreign Operations, and Related Programs

Other Bilateral Assistance: Provides \$656 million for the Tsunami Recovery and Reconstruction Fund in funds appropriated to the President, which is \$45 million below the President’s request, and \$3 million below the House-passed bill. The amount does not include the President’s request for modifying direct loans and loan guarantees for tsunami-affected countries.

Title V – Other Emergency Appropriations

Chapter 1: Subcommittee on Agriculture, Rural Development, and Related Agencies

Cooperative State Research, Education, and Extension Service (CREES): Provides \$3 million to the University of Hawaii for replacement of research and educational materials lost and recovery of interrupted research resulting from the October 30, 2004 floods. Neither the President’s request nor the House-passed bill included similar funding.

Natural Resources Conservation Service: Provides \$103 million for the Emergency Watershed Protection Program. Of this funding, not less than \$66 million is directed to the State of Utah to repair damages to the waterways and watersheds resulting from January 2005 natural disasters in Washington County, Utah. Neither the President’s request, nor the House-passed bill included similar funding.

General Provisions: The Chapter includes a couple general provisions on a range of issues. Of note, Section 5102 provides \$15 million to the Natural Resources Conservation Service for flood prevention activities in the Manoa Watershed in Hawaii. Neither the President’s request nor the House-passed bill included similar funding.

Chapter 2: Subcommittee on the Interior and Related Agencies

Salaries and Expenses: Provides \$3 million for Department salaries and expenses to support deployment of critical business systems. Neither the President’s request nor the House-passed bill included similar funding.

National Forest Service: Provides \$34.4 million for the National Forest Service. Neither the President’s request, nor the House-passed bill included similar funding. This spending will repair damage to national forest lands damaged by heavy rains, flooding, and landslides. Neither the President’s request nor the House-passed bill included similar funding.

Chapter 3: Subcommittee on Labor, Health and Human Services, Education, and Related Agencies

Public Health and Social Services Emergency Fund (PHSSEF): Provides \$10 million for the PHSSEF for grants to one or more State and local governments to improve the Nation’s capability to produce essential vaccines. Neither the President’s request nor the House-passed bill included similar funding.

Institute of Museum Library Services: Provides \$10 million to the University of Hawaii to partially offset the costs of damages to the research and educational materials

of the University of Hawaii facilities. Neither the President's request nor the House-passed bill included similar funding.

Chapter 4: Subcommittee on Transportation, Treasury, the Judiciary, Housing and Urban Development, and Related Agencies

The Judiciary: Provides \$60 million for the Judicial Branch, which is \$41.8 million below the President's request. The House-passed bill did not include similar funding. The spending will pay for costs associated with unanticipated increases in the amount of judicial work that resulted from the Supreme Court's decisions in *United States v. Booker* and *United States v. Fanfan*.

Housing Programs: Provides a technical correction to extend the availability of funds for the Housing for Persons with Disabilities program for 2 years, instead of 1 year as provided in the Fiscal Year 2005 Omnibus Appropriations Act. The funds could not be obligated in a 1-year period.

Title VI – General Provisions and Technical Corrections

Emergency Designation Language: The following language is included in the bill:

Throughout the Committee recommendation, language is included that cites section 402 of the conference report on Senate Concurrent Resolution 95 (108th Congress). S. Con. Res. 95 of the 108th Congress is the concurrent resolution setting forth the congressional budget for the United States Government for Fiscal Year 2005. The conference report on S. Con. Res. 95 is printed in House Report 108-498, filed in the House of Representatives on May 19, 2004. Section 402 was made applicable to the House of Representatives by House Resolution 649 (108th Congress) and made applicable to the Senate by section 14007 of Public Law 108-287 (118 Stat. 1014).

General Provisions: The Chapter includes a number of general provisions on a range of issues. Of note, Section 6001 limits the availability of funds in this supplemental to the current fiscal year unless expressly provided otherwise. Section 6007 allows the District of Columbia to expend up to \$42 million from unexpended general surplus funds resulting from locally generated taxes.

Administration Position

A Statement of Administration Policy (SAP) on the bill as reported by the Senate Appropriations Committee was not available at press time.

On March 15, the Administration released a SAP on the House-reported bill, H.R. 1268. The SAP commended the House's expeditious action and supported passage of the

bill. In the SAP, the Administration offered its views on several provisions in H.R. 1268 (including payments to surviving families of service members who die in harm's way, flexibility on funds for Iraqi and Afghan security forces, economic support for Global War on Terror allies, the U.S. Embassy in Iraq, peacekeeping forces, Palestinians, and the Ukraine).

Cost

Budget Authority: (amount in millions)

Fiscal Year 2005 \$80,582

Outlays: (amount in millions)

Fiscal Year 2005 \$32,790

Fiscal Year 2006 \$29,958

Fiscal Year 2007 \$12,704

Fiscal Year 2008 \$3,727

Fiscal Year 2009 (and future years) \$2,029

Possible Amendments

A number of amendments are expected on the floor. Because H.R. 1268 passed the House with immigration language attached (even though the Senate-reported bill contains no such language), immigration-related amendments are likely to be germane to this bill. However, Chairman Cochran and Majority Leader Frist are urging Senators to instead work on an agreement for addressing immigration reforms in a separate bill at a later date.

Other amendments related to the bill's funding are likely from members of both sides of the aisle, including: those to increase or decrease the defense and State Department funding, to address the emergency provisions, and to add funding for veterans.