



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

June 24, 2004
(House)

STATEMENT OF ADMINISTRATION POLICY

S. 2559 – Department of Defense Appropriations Bill, FY 2005

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

The Administration supports expeditious Senate passage of the FY 2005 Department of Defense Appropriations Bill, as reported by the Senate Committee, and commends the Committee for its continued support of America's national defense and armed forces. To ensure the Defense Department has the necessary resources to support operations in Iraq and Afghanistan, the Administration urges the Congress to send the President a bill he can sign before Congress adjourns for the August work period.

Consistent with his FY 2005 Budget, the President supports a discretionary spending total of not more than \$819 billion, in addition to \$2.5 billion in advance appropriations for Project BioShield. The President's Budget responsibly holds the growth in total discretionary spending to less than four percent and the growth in non-security spending to less than one percent, while providing the critical resources needed for our Nation's highest priorities: fighting the War on Terror, strengthening our homeland defenses, and sustaining the momentum of our economic recovery.

Consistent with the need for responsible spending restraint, the Administration urges the Congress to consult with the Administration and make best efforts to fund unavoidable obligations. Emergency funding, including contingent emergencies, would be acceptable only if mutually agreed upon in advance by both the Congress and the Administration.

While the Administration has not had sufficient time to review the Committee's bill and report in detail, the Administration appreciates the Committee's support for an additional \$25 billion to help finance potential operational costs in Iraq and Afghanistan. The Administration will continue to work with the Congress to ensure that adequate flexibility exists for allocating funds to the Defense Department accounts most likely to be under the greatest strain.

The Administration also appreciates that the Committee has approved the request of \$4 billion in General Transfer Authority (GTA) in FY 2005. The Department's need for higher GTA, especially during this time of war, has become dramatically evident in the current fiscal year. In that regard, the Administration urges support for an additional \$1.1 billion in GTA for FY 2004.

The Administration looks forward to working with the Congress during consideration of this important legislation to achieve our common goal of ensuring that our commanders and troops have the resources they need to accomplish their missions.

* * * * *