



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

December 17, 2007
(House Rules)

STATEMENT OF ADMINISTRATION POLICY

H.R. 2764 – Department of State, Foreign Operations, and Related Programs, and Other Purposes Appropriations Act, 2008 (Consolidated Appropriations Act, 2008)

(Sponsor: Obey (D), Wisconsin)

The Administration supports the timely completion of the FY 2008 appropriations bills in a fiscally responsible manner. It is now two and a half months since the start of the new fiscal year, and the Administration is disappointed that the Congress was unable to complete these bills individually and on time. While the Administration is encouraged by recent progress on the substance of the appropriations bills, there is still a need and an opportunity to make further improvements to the bill being considered by the House.

In particular, this omnibus appropriations bill fails to provide the needed funding for our troops in combat. Ten months after the President first provided a detailed war funding proposal, the Congress has still failed to complete this basic responsibility. By providing only \$33.4 billion of the needed amount for the Global War on Terror -- with an explicit prohibition against using the money for Iraq -- H.R. 2764 fails to support all of our men and women in combat. This inaction comes even while providing full-year funding for lower priority domestic programs. If H.R. 2764 were presented to the President in its current form, he would veto the bill.

The Administration is pleased that the Congress has reduced total regular discretionary funding for FY 2008 from the planned Budget Resolution level of \$955 billion to the reasonable and responsible level of \$933 billion. While the Congress has also reduced the amount of domestic emergency spending to \$5.1 billion, including resources for border security, and \$3.7 billion in contingency emergency funding for our Nation's Veterans, some of the emergency provisions could and should have been funded in the regular budget. In addition, the Administration continues to have concerns with the diversion of billions of dollars in Congressional earmarks from higher domestic priorities.

While the Administration remains concerned by several provisions in the bill, the Congress appears to have removed the most egregious policy riders from the bill.

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