

# THE WHITE HOUSE

WASHINGTON

September 17, 2003

Dear Mr. Speaker:

Two years ago, we responded to attacks on America by launching a global war against terrorism that has removed gathering threats to America and our allies and has liberated the Iraqi and Afghan people from oppression and fear.

America is making steady progress in the war on terror. Nearly two-thirds of al Qaeda's leadership has been captured or killed. In Afghanistan, we removed the Taliban from power and shut down terrorist training camps. In Iraq, we led a coalition that removed a dangerous tyrant who sponsored terror, possessed and used weapons of mass destruction, and for 12 years defied the clear demands of the United Nations Security Council.

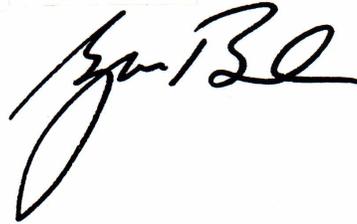
Today, I am submitting a request for 2004 supplemental appropriations for ongoing military and intelligence operations in Iraq, Afghanistan, and elsewhere. Our men and women in uniform, alongside our coalition partners, are bringing peace and stability to Iraq and fighting the terrorist threat. In Afghanistan, our Armed Forces continue to track down terrorists and provide security as the Afghan people rebuild their nation. Our commitment to ongoing operations against terrorism is worthy of our country and critical to our security.

My request also supports the Coalition Provisional Authority's reconstruction operations in Iraq and supports reconstruction efforts in Afghanistan. These reconstruction funds are essential to secure the transition to self-government and to create conditions for economic growth and investment. By helping the Iraqi and Afghan people build free and democratic nations, America and our allies are bringing freedom and hope to a troubled region, and undermining a key base of operations for terrorists. The sooner we achieve these conditions, the sooner our troops will return home.

This request reflects urgent and essential requirements. I ask the Congress to appropriate the funds as requested, and promptly return the bill to me for signature. I hereby designate the specific proposals in the amounts requested herein as emergency requirements. I urge the Congress not to attach items that are not directly related to the emergency abroad.

The details of the request are set forth in the enclosed letter from the Director of the Office of Management and Budget.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Dennis Hastert". The signature is written in a cursive style with a large, sweeping initial "J" and a long, horizontal stroke extending to the right.

The Honorable J. Dennis Hastert  
Speaker of the  
House of Representatives  
Washington, D.C. 20515

Enclosure



THE DIRECTOR

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

September 17, 2003

The President  
The White House

Submitted for your consideration is a request for FY 2004 supplemental appropriations totaling \$87 billion that primarily funds ongoing military operations in Iraq and Afghanistan, as well as relief and reconstruction activities in those countries.

These funds will be used to help secure the transition to democracy in both Iraq and Afghanistan while creating conditions for economic investment and growth in both countries. To achieve these objectives and thereby enhance security in the United States, the request for supplemental funds includes:

Department of Defense and classified activities – \$65.6 billion

- This request provides approximately \$51 billion for Operation Iraqi Freedom and \$11 billion for Operation Enduring Freedom. Approximately \$4 billion covers costs associated with Operation Noble Eagle and support for our allies in the war on terror.
- The two major military cost items are increased operational tempo at approximately \$32 billion and military personnel costs at approximately \$18 billion. Military construction, procurement of equipment, maintenance, military health care support, and classified activities (described in separate materials) account for \$13 billion.

Coalition Provisional Authority and Department of State – \$21.4 billion

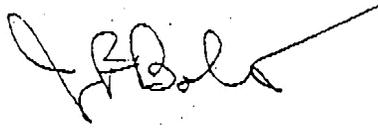
- This request provides \$20.3 billion for the Iraq Relief and Reconstruction Fund for use by the Coalition Provisional Authority (CPA). The CPA plans to spend \$5.1 billion to enhance security, including: border enforcement; building a national police service; standing up a new Iraqi Army; and reforming the justice system. CPA also plans to spend \$5.7 billion to provide basic electricity services, \$3.7 billion to provide basic water and sewer services, and \$2.1 billion to rehabilitate Iraq's oil infrastructure. These resources are essential to help create the conditions that will allow U.S. troops to return home.
- The request includes \$800 million for pressing security and reconstruction needs in Afghanistan, including building the Afghan National Army and continuing construction to complete the road from Kabul to Herat.

- The request also includes \$140 million for State Department operations, which provide secure temporary State Department facilities in Iraq and ensures that funds are available to pay rewards in the war on terror.

All of the requests in the transmittal are for the purpose of fulfilling known and urgent requirements that cannot reasonably be met through the use of existing agency funds. I recommend that you designate the specific proposals contained in this transmittal as emergency requirements.

I have carefully reviewed these proposals and am satisfied that they are necessary at this time. Therefore, I join the heads of the affected Departments and agencies in recommending you transmit the proposals to the Congress.

Sincerely,

A handwritten signature in black ink, appearing to read 'J. Bolten', with a long horizontal stroke extending to the right.

Joshua B. Bolten  
Director

Enclosures

TITLE I

DEPARTMENT OF DEFENSE

MILITARY PERSONNEL

Military Personnel, Army

For an additional amount for "Military Personnel, Army," \$12,858,870,000.

This request would provide for pay, allowances, subsistence, and other personnel costs for active component troops and guard and reserve troops activated for duty in Iraq, Afghanistan, and other areas around the world in support of Operation Iraqi Freedom, Operation Enduring Freedom, and Operation Noble Eagle. This request includes funding for enhanced special pays, including Imminent Danger pay, Family Separation Allowance, and Hardship Duty pay. It also includes the resources to pay personnel affected by military stop-loss programs and personnel maintained on active duty above the normal end-strength levels to sustain the readiness levels of deploying units.

DEPARTMENT OF DEFENSE

MILITARY PERSONNEL

Military Personnel, Navy

For an additional amount for "Military Personnel, Navy," \$816,100,000.

This request would provide for pay, allowances, subsistence, and other personnel costs for active component troops and guard and reserve troops activated for duty in Iraq, Afghanistan, and other areas around the world in support of Operation Iraqi Freedom, Operation Enduring Freedom, and Operation Noble Eagle. This request includes funding for enhanced special pays, including Imminent Danger pay, Family Separation Allowance, and Hardship Duty pay. It also includes the resources to pay personnel affected by military stop-loss programs and personnel maintained on active duty above the normal end-strength levels to sustain the readiness levels of deploying units.

DEPARTMENT OF DEFENSE

MILITARY PERSONNEL

Military Personnel, Marine Corps

For an additional amount for "Military Personnel, Marine Corps," \$753,190,000.

This request would provide for pay, allowances, subsistence, and other personnel costs for active component troops and guard and reserve troops activated for duty in Iraq, Afghanistan, and other areas around the world in support of Operation Iraqi Freedom, Operation Enduring Freedom, and Operation Noble Eagle. This request includes funding for enhanced special pays, including Imminent Danger pay, Family Separation Allowance, and Hardship Duty pay. It also includes the resources to pay personnel affected by military stop-loss programs and personnel maintained on active duty above the normal end-strength levels to sustain the readiness levels of deploying units.

DEPARTMENT OF DEFENSE

MILITARY PERSONNEL

Military Personnel, Air Force

For an additional amount for "Military Personnel, Air Force," \$3,384,700,000.

This request would provide for pay, allowances, subsistence, and other personnel costs for active component troops and guard and reserve troops activated for duty in Iraq, Afghanistan, and other areas around the world in support of Operation Iraqi Freedom, Operation Enduring Freedom, and Operation Noble Eagle. This request includes funding for enhanced special pays, including Imminent Danger pay, Family Separation Allowance, and Hardship Duty pay. It also includes the resources to pay personnel affected by military stop-loss programs and additional personnel maintained on active duty above the normal end-strength levels to sustain the readiness levels of deploying units.

DEPARTMENT OF DEFENSE

OPERATION AND MAINTENANCE

Operation and Maintenance, Army

For an additional amount for "Operation and Maintenance, Army," \$24,190,464,000.

This request would fund Army operations in support of Operation Iraqi Freedom, Operation Enduring Freedom, and Operation Noble Eagle. This funding would allow the Army forces to continue to play a critical role in bringing peace and stability to Iraq, in eradicating the remaining remnants of the Saddam Hussein regime, and fighting the terrorist threat. This request includes necessary resources to cover costs associated with: support for Active and mobilized Reserve and National Guard personnel, including travel and per diem; and operations, such as incremental ground operations, flying hours, logistics support, fuel purchases, base support, depot maintenance and over-ocean transportation.

The funding requested includes a reimbursement of \$45 million, which is the Army's share of the \$135 million drawdown currently authorized under the Afghanistan Freedom Support Act of 2002.

This request also includes administrative costs for the Coalition Provisional Authority.

DEPARTMENT OF DEFENSE  
OPERATION AND MAINTENANCE

Operation and Maintenance, Navy

(Including Transfer of Funds)

For an additional amount for "Operation and Maintenance, Navy," \$2,106,258,000, of which up to \$80,000,000 may be transferred to the Department of Homeland Security for Coast Guard Operations.

This request would fund Navy operations in support of Operation Iraqi Freedom, Operation Enduring Freedom, and Operation Noble Eagle. It includes funds for Coast Guard support to the Navy for Operation Iraqi Freedom. This funding will allow the Navy forces to continue to play a critical role in bringing peace and stability to Iraq, in eradicating the remaining remnants of the Saddam Hussein regime, and fighting the terrorist threat.

This request includes necessary resources to cover costs associated with: support for Active and mobilized Reserve personnel, including travel and per diem; and operations, such as incremental flying hours, ship steaming days, contractor logistics support, fuel purchases, base support, depot maintenance, and over-ocean transportation. The funding requested also includes a reimbursement of \$45 million, which is the Navy's share of the \$135 million drawdown currently authorized under the Afghanistan Freedom Support Act of 2002.

DEPARTMENT OF DEFENSE

OPERATION AND MAINTENANCE

Operation and Maintenance, Marine Corps

For an additional amount for "Operation and Maintenance, Marine Corps,"  
\$1,198,981,000.

This request would fund Marine Corps operations in support of Operation Iraqi Freedom, Operation Enduring Freedom, and Operation Noble Eagle. This funding would allow the Marine Corps to continue to play a critical role in bringing peace and stability to Iraq, and in eradicating the remaining remnants of the Saddam Hussein regime, and fighting the terrorist threat.

This request includes necessary resources to cover costs associated with: support for Active and mobilized Reserve and National Guard personnel, including travel and per diem; and operations, such as incremental ground operations, logistics support, fuel purchases, base support, depot maintenance, and over-ocean transportation.

DEPARTMENT OF DEFENSE

OPERATION AND MAINTENANCE

Operation and Maintenance, Air Force

For an additional amount for "Operation and Maintenance, Air Force," \$5,948,368,000.

This request would fund Air Force operations in support of Operation Iraqi Freedom, Operation Enduring Freedom, and Operation Noble Eagle. This funding would allow the Air Force to continue to play a critical role in bringing peace and stability to Iraq, and in eradicating the remaining remnants of the Saddam Hussein regime, and fighting the terrorist threat.

This request includes necessary resources to cover costs associated with: personnel support costs for Active and mobilized Reserve and National Guard personnel, including travel and per diem; and operations, such as incremental flying hours, special airlift missions, contractor logistics support, fuel purchases, base support, depot maintenance, and for over-ocean transportation. This request also includes a reimbursement of \$45 million, which is the Air Force's share of the \$135 million drawdown currently authorized under the Afghanistan Freedom Support Act of 2002.

DEPARTMENT OF DEFENSE

OPERATION AND MAINTENANCE

Operation and Maintenance, Defense-Wide

For an additional amount for "Operation and Maintenance, Defense-Wide," \$4,618,452,000, of which –

(1) not to exceed \$15,000,000 may be used for the CINC Initiative Fund account, to be used primarily in Iraq and Afghanistan;

(2) not to exceed \$15,000,000 may be used for emergency and extraordinary expenses, to be expended on the authority of the Secretary of Defense and payments may be made on his certificate of necessity for confidential military purposes; and

(3) not less than \$1,400,000,000, to remain available until expended, may be used, notwithstanding any other provision of law, for payments to reimburse Pakistan, Jordan, and other key cooperating nations, for logistical, military, and other support provided, or to be provided, to United States military operations: Provided, That such payments may be made in such amounts as the Secretary of Defense, with the concurrence of the Secretary of State, and in consultation with the Director of the Office of Management and Budget, may determine, in his discretion, based on documentation determined by the Secretary of Defense to adequately account for the support provided, and such determination is final and conclusive upon the accounting officers of the United States, and 15 days following notification to the appropriate congressional committees: Provided further, That the Secretary of Defense shall provide quarterly reports to the Committees on Appropriations on the use of these funds.

This request would provide \$4.6 billion to support Operation Iraqi Freedom, Operation Enduring Freedom, and Operation Noble Eagle. This request includes funds for: operations; transportation; supplies and equipment; depot maintenance; and command, control, and intelligence capabilities. It would also fund the communication backbone and continuing support for voice, video, and data systems; and management, transmission and satellite services. In addition, this request would finance continuing support for contract audit, contract management, media, military tribunals, family support counseling, critical infrastructure protection, and industrial security clearances.

The section providing the Secretary of Defense with \$15 million in additional authority for the CINC Initiative Fund (CIF) supports unforeseen low-cost, high-benefit initiatives that enhance joint warfighting capabilities in support of military operations primarily in Iraq and Afghanistan.

-- continued --

The section providing the Secretary of Defense with \$15 million in additional authority for extraordinary and emergency expenses, covers unanticipated emergent requirements primarily associated with Iraq and Afghanistan.

The request would fund payments to key cooperating nations (e.g., Pakistan, Jordan) providing logistical and military support to U.S. military operation in support of Operations Iraqi Freedom, Operation Enduring Freedom, and Operation Noble Eagle. This request includes payments to coalition countries participating in or providing military, logistical, or other support for military operations in Afghanistan and Iraq. Such support includes transportation into the theater, providing supplies to coalition forces in the theater, and helping coalition forces with communication support.

DEPARTMENT OF DEFENSE

OPERATION AND MAINTENANCE

Operation and Maintenance, Marine Corps Reserve

For an additional amount for "Operation and Maintenance, Marine Corps Reserve,"  
\$16,000,000.

This request would fund Marine Corps Reserve operations in support of Operation Iraqi Freedom, Operation Enduring Freedom, and Operation Noble Eagle. This funding would allow the Marine Corps to continue to play a critical role in bringing peace and stability to Iraq, in eradicating the remaining remnants of the Saddam Hussein regime, and fighting the terrorist threat. This request includes necessary resources to cover the costs associated with: the support for mobilized Reserve personnel, including travel and per diem for Marine Corps trainers for pre-deployment training; and operations, such as anti-terrorism/force protection materials and supplies.

DEPARTMENT OF DEFENSE

OPERATION AND MAINTENANCE

Operation and Maintenance, Air Force Reserve

For an additional amount for "Operation and Maintenance, Air Force Reserve,"  
\$53,000,000.

This request would fund depot maintenance of weapons and weapon system platforms requiring service after the wear and tear of combat operations. The harsh desert environment and conditions of war cause significantly more damage and corrosion to equipment than the usual peacetime, training activities. In general, equipment used in support of Operation Iraqi Freedom and Operation Enduring Freedom will require a more intensive overhaul and repair cycle than the typical maintenance program. The Department must restore these assets to mission-capable status in order to prevent any degradation in the readiness level.

DEPARTMENT OF DEFENSE

OPERATION AND MAINTENANCE

Operation and Maintenance, Air National Guard

For an additional amount for "Operation and Maintenance, Air National Guard,"  
\$214,000,000.

This request would fund Air Force National Guard operations in support of Operation Iraqi Freedom, Operation Enduring Freedom, and Operation Noble Eagle. This request includes necessary resources to cover the costs associated with contractor logistics support and depot maintenance. The harsh desert environment and conditions of war cause significantly more damage and corrosion to equipment than the usual peacetime, training activities. In general, equipment used in support of these operations will require a more intensive overhaul and repair cycle than the typical maintenance program. The Department must restore these assets to mission-capable status in order to prevent any degradation in the readiness level.

DEPARTMENT OF DEFENSE

OPERATION AND MAINTENANCE

Drug Interdiction and Counter-Drug Activities, Defense

For an additional amount for "Drug Interdiction and Counter-Drug Activities, Defense," \$73,000,000: Provided, That these funds may be used for such activities related to Afghanistan: Provided further, That the Secretary of Defense may transfer the funds provided herein only to appropriations for military personnel; operation and maintenance; procurement; and research, development, test, and evaluation: Provided further, That the funds transferred shall be merged with and be available for the same purposes and for the same time period, as the appropriation to which transferred: Provided further, That the transfer authority provided in this paragraph is in addition to any other transfer authority available to the Department of Defense: Provided further, That upon a determination that all or part of the funds transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation.

This request would fund training, equipment, intelligence, infrastructure, and information operations related to Afghanistan's unified campaign against narcotics trafficking and terrorist activities, as well as support for counter-drug activities.

DEPARTMENT OF DEFENSE  
OPERATION AND MAINTENANCE

Defense Health Program

For an additional amount for "Operation and Maintenance, Defense Health Programs,"  
\$658,380,000.

This supplemental request would provide \$525.2 million for health care for activated reserve forces and their families. The remaining \$133.2 million would support Defense Health Program funded post-casualty care, aeromedical evacuation, and deployed medical staff support not covered by other operational resources.

DEPARTMENT OF DEFENSE

OPERATION AND MAINTENANCE

Overseas Humanitarian, Disaster, and Civic Aid

For an additional amount for "Overseas Humanitarian, Disaster, and Civic Aid,"  
\$35,500,000.

This request would fund European and Central Command humanitarian assistance programs directed at shaping the international security environment by promoting peace, stability, and good will in Iraq, Afghanistan, and other areas around the world. The request includes \$20.0 million for Central Command for projects in Iraq, Afghanistan, and related areas. It also includes \$15.5 million for European Command for projects in countries directly supporting the war on terror.

DEPARTMENT OF DEFENSE  
OPERATION AND MAINTENANCE

Iraq Freedom Fund

For "Iraq Freedom Fund," \$1,988,600,000, to remain available for transfer until September 30, 2005, for the purposes authorized under this heading in Public Law 108-11: Provided, That the Secretary of Defense may transfer the funds provided herein to appropriations for military personnel; operation and maintenance; Overseas Humanitarian, Disaster Assistance, and Civic Aid; procurement; military construction; the Defense Health Program; and working capital funds: Provided further, That funds transferred shall be merged with and be available for the same purposes and for the same time period as the appropriation or fund to which transferred: Provided further, That this transfer authority is in addition to any other transfer authority available to the Department of Defense: Provided further, That upon a determination that all or part of the funds transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation: Provided further, That the Secretary of Defense shall, not fewer than 5 days prior to making transfers from this appropriation, notify the congressional defense committees of any such transfer: Provided further, That the Secretary shall submit a report no later than 30 days after the end of each fiscal quarter to the congressional defense committees summarizing the details of the transfer of funds from this appropriation.

This supplemental request would fund personnel, personnel support, operation support, coalition support, and other costs in support of post-war operations, primarily in Iraq and Afghanistan. The use of a transfer account is necessary due to the dynamic nature of these operations. Appropriating the funding in the Iraqi Freedom Fund (IFF), with its own transfer authority, provides the flexibility needed to allocate funding to those components that are actually incurring costs. It is an important financing mechanism needed to help the Department address the unpredictable scope, duration, and intensity of these military operations. These funds would be held in the IFF pending transfer to the components.

Within the total IFF request, funds would be available for supplies, services, transportation, and other logistical support to one multinational division of ground troops supporting military and stability operations in Iraq.

Funding is also provided for personnel, personnel support, and post-war operation support costs for two Army National Guard Enhanced Separate Brigades and one Marine Expeditionary Force (MEF) that are planned for deployment only if the multinational divisions are not ready to deploy or the changes in the security situations require the presence of these U.S. forces.

DEPARTMENT OF DEFENSE

PROCUREMENT

Missile Procurement, Army

For an additional amount for "Missile Procurement, Army," \$6,200,000, to remain available until September 30, 2006.

This request would fund procurement of a replacement Multiple Launch Rocket System launcher destroyed in Operation Iraqi Freedom.

DEPARTMENT OF DEFENSE

PROCUREMENT

Procurement of Weapons and Tracked Combat Vehicles, Army

For an additional amount for "Procurement of Weapons and Tracked Combat Vehicles, Army," \$46,000,000, to remain available until September 30, 2006.

This request would fund the procurement of a replacement Paladin system (\$2.4 million) destroyed during the war in Iraq and vehicle modifications, such as gun mounts, gun sights, and rails to improve the capabilities of soldiers in Iraq (\$43.6 million).

DEPARTMENT OF DEFENSE

PROCUREMENT

Other Procurement, Army

For an additional amount for "Other Procurement, Army," \$930,687,000, to remain available until September 30, 2006.

Selected items in this request include: logistic support equipment (\$30.5 million) and command and control equipment (\$42.2 million) destroyed during the war in Iraq; Up-armored Humvees to better protect the deployed forces (\$177.2 million); improved equipment for both active and reserve force soldiers deploying to Iraq (\$246.2 million); base camp housing units to improve the housing and morale of deployed forces (\$344.7 million); X-ray mobile search devices (\$12.6 million); improved communications and intelligence methods (\$17.5 million); improved logistics tracking methods (\$3.4 million); joint tactical terminals (\$41.1 million); and robotic counter-sniper systems (\$5.0 million).

DEPARTMENT OF DEFENSE

PROCUREMENT

Aircraft Procurement, Navy

For an additional amount for "Aircraft Procurement, Navy," \$128,600,000, to remain available until September 30, 2006.

This request would provide funding necessary to procure: additional aircraft spare parts (\$59.1 million); replace outer wing panels for EA-6B Prowler (\$55.0 million) and E-2C Hawkeye (\$1.5 million) aircraft to correct fatigue cracking on the aircraft caused by the increased operating tempo in support of Operation Iraqi Freedom; and additional F-18 support equipment (\$13.0 million).

DEPARTMENT OF DEFENSE

PROCUREMENT

Other Procurement, Navy

For an additional amount for "Other Procurement, Navy," \$76,357,000, to remain available until September 30, 2006.

This request includes funding for additional spare parts required to support the increased operational tempo of forward deployed ships (\$27.2 million), command and control improvements (\$5.8 million), explosive ordnance equipment (\$25.0 million), replacement of expended fleet hospital equipment damaged or destroyed during the war in Iraq (\$13.2 million), and Global Broadcast System terminal improvements (\$4.5 million).

DEPARTMENT OF DEFENSE

PROCUREMENT

Procurement, Marine Corps

For an additional amount for "Procurement, Marine Corps," \$123,397,000, to remain available until September 30, 2006.

This request would fund the procurement of replacement M882A2 Recovery Vehicles, MK48 Logistics Vehicle Systems (\$21.4 million), and Light Armored Vehicles (\$23.2 million) destroyed during the war in Iraq, and upgrades to the Amphibious Assault Vehicles (\$78.8 million).

DEPARTMENT OF DEFENSE

PROCUREMENT

Aircraft Procurement, Air Force

For an additional amount for "Aircraft Procurement, Air Force," \$40,972,000, to remain available until September 30, 2006.

This request would provide funding necessary for the procurement of Air Launched Expendable Decoys (\$35.7 million) and Aircraft Common Support Equipment (\$5.3 million) to replace combat expenditures in support of Operation Iraqi Freedom.

DEPARTMENT OF DEFENSE

PROCUREMENT

Missile Procurement, Air Force

For an additional amount for "Missile Procurement, Air Force," \$20,450,000, to remain available until September 30, 2006.

This request would fund the procurement of Hellfire missiles for use on the Predator Unmanned Aerial Vehicle, as well as classified activities.

DEPARTMENT OF DEFENSE

PROCUREMENT

Other Procurement, Air Force

For an additional amount for "Other Procurement, Air Force," \$3,441,006,000, to remain available until September 30, 2006.

This request including funding for procurement of improved theater communications systems and components (\$150.3 million); logistics and support equipment (\$89.0 million); medical equipment (\$13.7 million); replacement vehicles (\$39.6 million); equipment for the deployed Civil Engineers (\$25.9 million); and explosive ordnance disposal systems (\$1.5 million). Additional details will be provided in classified narrative supporting this request.

DEPARTMENT OF DEFENSE

PROCUREMENT

Procurement, Defense-Wide

For an additional amount for "Procurement, Defense-Wide," \$435,635,000, to remain available until September 30, 2006.

This request including funding for specific Special Operations Command, Chemical Biological Defense Program, and communications and intelligence efforts. Funds would be used to support Special Operations Command efforts through procurement of aircraft modifications (\$21.5 million), C4I equipment (\$36.6 million), ammunition to replace expected expenditures (\$23.9 million) and various types of soldier-level equipment to improve Special Operations Forces (SOF) survivability (\$23.8 million). In addition, the request includes funding for SOF intelligence systems improvements (\$15.8 million), and equipment (\$14.8 million).

Funding would also support procurement of equipment to improve communications and computer security (\$45.4 million), various types of equipment for intelligence systems (\$34.1 million), and chemical and biological defense equipment (\$25.5 million). Additional details will be provided in classified narrative supporting this request.

DEPARTMENT OF DEFENSE

RESEARCH, DEVELOPMENT, TEST AND EVALUATION

Research, Development, Test and Evaluation, Navy

For an additional amount for "Research, Development, Test and Evaluation, Navy," \$34,000,000, to remain available until September 30, 2005.

Details about this request are provided in supporting classified documents.

DEPARTMENT OF DEFENSE

RESEARCH, DEVELOPMENT, TEST AND EVALUATION

Research, Development, Test and Evaluation, Air Force

For an additional amount for "Research, Development, Test and Evaluation, Air Force," \$39,070,000, to remain available until September 30, 2005.

Details about this request are provided in supporting classified documents.

DEPARTMENT OF DEFENSE

RESEARCH, DEVELOPMENT, TEST AND EVALUATION

Research, Development, Test and Evaluation, Defense-Wide

For an additional amount for "Research, Development, Test and Evaluation, Defense-Wide," \$265,817,000, to remain available until September 30, 2005.

Details about this request are provided in supporting classified documents.

DEPARTMENT OF DEFENSE

MILITARY CONSTRUCTION

Military Construction, Army

For an additional amount for "Military Construction, Army," \$119,900,000, to remain available until September 30, 2008: Provided, That such funds may be obligated and expended to carry out military construction projects not otherwise authorized by law.

This request would provide resources required to finance various military construction projects to support U.S. troops in Iraq. Projects include: Power Plants and Distribution Systems; Helicopter Pads and Taxiways and improved Entry Control Points at Baghdad International Airport; a Sensitive Compartmented Information Facility; a Joint Operations Center; a Training Facility; a Theater Postal Distribution Facility; Water and Wastewater Treatment Facilities; and Moral, Welfare, and Recreation Facilities. Specific details will be provided in a separate classified submission.

DEPARTMENT OF DEFENSE

MILITARY CONSTRUCTION

Military Construction, Air Force

For an additional amount for "Military Construction, Air Force," \$292,550,000, to remain available until September 30, 2008: Provided, That such funds may be obligated and expended to carry out military construction projects not otherwise authorized by law.

This request would fund construction of the following projects necessary to support Air Force operations in the Central Command's Area of Responsibility: an Aircraft Runway Repair at Bagram, Afghanistan (\$48.0 million); an Airfreight Terminal at Dover AFB, Delaware (\$56.0 million); an AEF FOL Communications Remote Switch Facility at Diego Garcia (\$3.5 million); a Munitions Maintenance, Storage, and Wash Pad at Camp Darby, Italy (\$5.0 million); an AWC Ramp and Fuel Hydrant System at Al Dhafra, United Arab Emirates (\$47.0 million); an Aircraft Ramp at Balad, Iraq (\$18.0 million); an Expanded Tactical/Strategic Ramp at Al Udeid Air Base, Qatar (\$20.0 million); a Refueler Ramp at Al Udeid Air Base, Qatar (\$40.0 million); a Temporary Containment Area at Al Dhafra, United Arab Emirates (\$15.3 million); and, \$17.5 million for a confidential project. In addition, this request would fund completion of the design of Air Force facilities being requested in this proposal (\$22.3 million).

DEPARTMENT OF DEFENSE  
REVOLVING AND MANAGEMENT FUNDS

National Defense Sealift Fund

For an additional amount for "National Defense Sealift Fund," \$24,000,000, to remain available until expended.

This request would fund the maintenance and repairs of the Ready Reserve Force ships required as a result of increased operating tempo.

DEPARTMENT OF DEFENSE  
REVOLVING AND MANAGEMENT FUND

Working Capital Fund, Defense-Wide

For an additional amount for "Working Capital Fund, Defense-Wide," \$600,000,000.

This request would provide funding for the increased cost of fuel required to support military operations.

OTHER INDEPENDENT AGENCIES

Intelligence Community Management Account

(Including Transfer of Funds)

For an additional amount for "Intelligence Community Management Account," \$21,500,000, to remain available until September 30, 2005; of which \$3,000,000 may be transferred to and merged with the Department of Energy, "Other Defense Activities," and \$15,500,000 may be transferred to and merged with the Federal Bureau of Investigation, "Salaries and Expenses."

This request would support the National Counterintelligence Executive, the Department of Energy's Office of Intelligence, and Federal Bureau of Investigation. Additional details will be provided in the classified narrative supporting this request.

## DEPARTMENT OF DEFENSE

### GENERAL PROVISIONS

Sec. \_\_\_\_\_. Section 202(b) of the Afghanistan Freedom Support Act of 2002 (Public Law 107-327) is amended by striking "\$300,000,000" and inserting "\$600,000,000".

This provision would allow the Department of Defense to draw down an additional \$300 million under the Afghanistan Freedom Support Act of 2002. This drawdown is necessary to support requirements for training and equipping the Afghan National Army (ANA) and accelerating the pace of that training so that the ANA can take an increasingly larger role in the fight against terrorism.

Sec. \_\_\_\_\_. Upon his determination that such action is necessary in the national interest, the Secretary of Defense may transfer between appropriations up to \$5,000,000,000 of the funds made available in this title: Provided, That the Secretary shall notify the Congress promptly of each transfer made pursuant to this authority: Provided further, That the transfer authority provided in this section is in addition to any other transfer authority available to the Department of Defense: Provided further, That the authority in this section is subject to the same terms and conditions as the authority provided in section 8005 of the Department of Defense Appropriations Act, 2004.

This provision would provide the Department with needed flexibility by allowing up to \$5 billion of the funds appropriated in this act to be transferred between accounts. The Secretary of Defense will notify the Congress not more than five days after such transfers, and this transfer authority will be in addition to any other transfer authority provided the Department. The reference to section 8005 of the Department of Defense Appropriations Act, 2004 assumes that the provision included as section 8005 in both the House-passed H.R. 2658 of the 108th Congress and the Senate Amendment thereto will be contained in the Act as ultimately enacted.

Sec. \_\_\_\_\_. (a) Transfer Authority.--Subject to subsection (b), the Secretary of Defense may transfer not more than \$500,000,000 of the funds appropriated in this title to the contingency construction account, authorized under section 2804 of title 10, United States Code, to carry out military construction projects not otherwise authorized by law. Funds so transferred shall be merged with and be available for the same purposes and the same time period as the appropriation to which transferred. The transfer authority under this section is in addition to any other transfer authority available to the Department of Defense.

(b) Conditions on Transfer.--A transfer of funds under subsection (a) may not be made until the end of the 7-day period beginning on the date the Secretary of Defense submits notice to the appropriate committees of Congress certifying that the transfer is necessary to respond to, or protect against, acts or threatened acts of terrorism or to support Department of Defense operations in Iraq, and specifying the amounts and purposes of the transfer, including a list of proposed projects and their estimated costs.

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(c) Notice of Obligations.--Notwithstanding section 2804(b) of title 10, United States Code, when a decision is made to carry out a military construction project using funds transferred to the contingency construction account under subsection (a), the Secretary of Defense shall notify the appropriate committees of Congress no later than 15 days after the obligation of the funds for the project, specifying the estimated cost of the project and including form 1391.

(d) Definitions.--For purposes of this section, the terms "appropriate committees of Congress", "military construction", and "military installation" have the meanings given such terms in section 2801 of title 10, United States Code, except that, with respect to military construction in a foreign country, the term "military installation" includes not only buildings, structures, and other improvements to real property under the operational control of the Secretary of a military department or the Secretary of Defense, but also any building, structure, or other improvement to real property to be used by the Armed Forces, regardless of whether such use is anticipated to be temporary or of longer duration.

This section would allow the Secretary of Defense to transfer up to \$500 million from funds appropriated in this Title to the contingency construction account to fund military construction projects not otherwise authorized. This provision requires the Secretary to notify the appropriate committees in Congress seven days prior to making the transfer. Moreover, the Secretary must notify the appropriate committees in Congress no later than 15 days after the obligation of funds for the project and provide the estimated cost of the project and the form 1391 notification and explanation. This authority is necessary for the Secretary to carry out urgent projects in support of Operation Iraqi Freedom, Operation Enduring Freedom, and Operation Noble Eagle.

Sec. \_\_\_\_\_. Funds appropriated in this title, or made available by the transfer of funds in or pursuant to this title, for intelligence activities are deemed to be specifically authorized by the Congress for purposes of section 504 of the National Security Act of 1947 (50 U.S.C. 414).

This section would provide that funds appropriated in this Act, or made available by the transfer of funds in this Act, for intelligence activities are deemed to be specifically authorized by the Congress for purposes of section 504 of the National Security Act of 1947 (50 U.S.C. 414).

Sec. \_\_\_\_\_. During fiscal year 2004, the Secretary of Defense may transfer amounts in or credited to the Defense Cooperation Account under section 2608(b) of title 10, United States Code, to such appropriations or funds of the Department of Defense as he shall determine for use consistent with the purposes for which such funds were contributed and accepted: Provided, That such amounts shall be available for the same time period as the appropriation to which transferred: Provided further, That the Secretary shall report to the Congress all transfers made pursuant to this authority.

Pursuant to the statute establishing the Defense Cooperation Account (10 U.S.C. 2608) funds in the Defense Cooperation Account may be obligated or expended only to the extent and in the manner provided in subsequent appropriations Acts. This proposal would provide the necessary appropriation for the remainder of the fiscal year.

Sec. \_\_\_\_\_. Sections 1318 and 1319 of Public Law 108-11 shall remain in effect during fiscal year 2004.

This provision would augment existing authority regarding travel and transportation allowances for family members of members of the Armed Forces who are ill or injured as a result of service on active duty in support of Operation Iraqi Freedom, Operation Enduring Freedom, or Operation Noble Eagle. In addition to the existing transportation benefit, this provision authorizes the payment of per diem to family members traveling to and from hospital visits and while at the site during visits. This provision also would authorize the Department to provide civilian attire suitable for wear by the member during their hospital stay and travel to home station as long as the cost to the government does not exceed \$250.

Sec. \_\_\_\_\_. From October 1, 2003 through December 31, 2003, (a) the rates of pay authorized by section 310(a) of title 37, United States Code, shall be increased to \$225; and (b) the rates of pay authorized by section 427(a)(1) of title 37, United States Code, shall be increased to \$250.

This provision would sustain the increase in the statutory maximum payable for Imminent Danger Pay from \$150 to \$225 per month, and for Family Separation Allowance from \$100 to \$250 from October 1, 2003 through December 31, 2003.

Sec. \_\_\_\_\_. Increase in the maximum monthly rate for hardship duty pay.

(a) Section 305(a) of title 37, United States Code, is amended by striking out "\$300" and inserting in lieu thereof "\$600".

(b) Effective Date: The amendment made by subsection (a) shall take effect on January 1, 2004.

This provision would increase the statutory maximum payable for Hardship Duty Pay from \$300 to \$600 per month from January 1, 2004, until September 30, 2004.

Sec. \_\_\_\_\_. (a) Section 1313 of Public Law 108-11 is amended by adding the word, "unobligated," before "balances".

(b) After October 31, 2003, adjustments to obligations that would have been properly chargeable to the Defense Emergency Response Fund shall be charged to any current appropriation account of the Department of Defense available for the same purpose.

This provision would allow approved currently available appropriations to be available to make within scope accounting adjustments. The Defense Emergency Response Fund currently has no legal provision to make further accounting adjustments after it closes on October 31, 2003.

Sec. \_\_\_\_\_. During the current year, funds available to the Department of Defense for operation and maintenance may be used, notwithstanding any other provision of law, to provide supplies, services, transportation, including airlift and sealift, and other logistical support to coalition forces supporting military and stability operations in Iraq: Provided, That the Secretary of Defense shall provide quarterly reports to the Committees on Appropriations regarding support provided under this section.

This provision would allow the Department to use funds for supplies, services, transportation, and other logistical support of troops supporting military and stability operations in Iraq.

Sec. \_\_\_\_\_. Notwithstanding any other provision of law, from funds available to the Department of Defense for operation and maintenance in fiscal year 2004, not to exceed \$200,000,000 may be used by the Secretary of Defense, with the concurrence of the Secretary of State, to provide assistance to military forces in Iraq, Afghanistan, and other friendly nearby regional nations to enhance their capability to combat terrorism and to support U.S. military operations in Iraq and Afghanistan: Provided, That such assistance may include the provision of equipment, supplies, services, training, and funding: Provided further, That the authority to provide assistance under this section is in addition to any other authority to provide assistance to foreign nations: Provided further, That the Secretary of Defense shall notify Congress not less than 7 days before providing assistance under the authority of this section.

This provision would allow the Department to provide training and equipment to those forces serving alongside or in place of U.S. military forces in Iraq and Afghanistan, including the New Iraqi Army, and to friendly nations fighting terrorism in the nearby region.

TITLE II

DEPARTMENT OF STATE

ADMINISTRATION OF FOREIGN AFFAIRS

Diplomatic and Consular Programs

For an additional amount for "Diplomatic and Consular Programs," \$40,500,000: Provided, That of the amounts provided under this heading in Public Law 108-11, \$35,800,000 shall remain available until expended.

This request would provide \$40.5 million for Diplomatic and Consular Programs for essential security and border-security related operations and programs, including additional security in Afghanistan and funding to continue consular operations in the event of a shortfall in income from machine readable visa fees. This request would also extend the availability of amounts previously appropriated in the Emergency Wartime Supplemental Appropriations Act of 2003 (P.L. 108-11) for the initial setup and operating costs for the re-establishment of a diplomatic presence in Iraq and related security costs.

DEPARTMENT OF STATE

ADMINISTRATION OF FOREIGN AFFAIRS

Embassy Security, Construction, and Maintenance

For an additional amount for "Embassy Security, Construction, and Maintenance," \$60,500,000, to remain available until expended.

This request would provide \$60.5 million for the Embassy Security, Construction, and Maintenance account. These funds are essential to provide safe and secure temporary facilities in Iraq.

DEPARTMENT OF STATE

ADMINISTRATION OF FOREIGN AFFAIRS

Emergencies in the Diplomatic and Consular Service

For an additional amount for "Emergencies in the Diplomatic and Consular Service," \$50,000,000, to remain available until expended.

This request would provide \$50 million for the Emergencies in the Diplomatic and Consular Service account to ensure that sufficient funds are available to pay rewards, including rewards up to \$25 million offered for Osama bin Laden and Saddam Hussein.

DEPARTMENT OF STATE

ADMINISTRATION OF FOREIGN AFFAIRS

International Narcotics Control and Law Enforcement

For an additional amount for "International Narcotics Control and Law Enforcement," \$120,000,000, to remain available until September 30, 2004, for accelerated assistance for Afghanistan.

Of this amount, \$110 million would be used in Afghanistan to train, equip, and deploy additional police, including Afghan National Police, Border Police, and Highway Patrol. The funds would also be used to increase counter-narcotics law enforcement capacity and to provide security for the 2004 elections. In addition, \$10 million would support training of prosecutors and judges in Afghanistan and provide the judicial sector with needed infrastructure (e.g., courthouses, legal offices), supplies, and equipment.

OTHER BILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

Iraq Relief and Reconstruction Fund

(Including Transfers of Funds)

For necessary expenses for security, rehabilitation and reconstruction in Iraq, \$20,304,000,000, to remain available until expended, to be allocated as follows: \$5,136,000,000 for security, including public safety requirements, national security, and justice; \$5,675,000,000 for the electric sector; \$2,100,000,000 for oil infrastructure; \$3,710,000,000 for public works; \$875,000,000 for water resources; \$835,000,000 for transportation and telecommunications; \$470,000,000 for housing and construction; \$850,000,000 for health; \$353,000,000 for private sector development; and \$300,000,000 for refugees, human rights, democracy, and civil society: Provided, That the President may reallocate funds provided under this heading: Provided further, That these funds may be transferred to any Federal account for any Federal Government activity to accomplish the purposes provided herein: Provided further, That upon a determination that all or part of the funds so transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation: Provided further, That contributions of funds for the purposes provided herein from any person, foreign government, or international organization, may be credited to this Fund and used for such purposes.

This request would provide \$20,304 million for security, rehabilitation and reconstruction in Iraq as follows:

- \$5,136 million for security, including training and equipping border enforcement, police, fire, and customs personnel; standing up the New Iraqi Army and a Civil Defense Corps; and developing civil society and the justice sector.
- \$5,675 million for the rehabilitation and construction of new electric generating capacity and transmission and distribution networks.
- \$2,100 million for investment in oil infrastructure and purchase of oil products.
- \$3,710 million for public works, including expanded access to safe drinking water and improved sanitation services.
- \$875 million for improved water resource use, including rehabilitation of irrigation systems and environmental restoration of marshlands.
- \$835 million for transportation and telecommunications, including rehabilitation of the three major airports and the port at Umm Qasr, reconstruction of rail capacity, and rehabilitation and upgrading of telecommunications capacity.
- \$470 million for housing construction, repair and reconstruction of public buildings, and repair and reconstruction of roads and bridges.
- \$850 million for health, including construction of a new pediatric hospital, refurbishment of hospitals and clinics, and replacement of medical equipment.

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- \$353 million for private sector development, including establishment of an American-Iraqi Enterprise Fund and expanded on-the-job and market specific training.
- \$300 million for assistance to refugees and internally displaced persons, development of local governance, funding of a property claims tribunal, and other human rights and civil society programs.

## INTERNATIONAL ASSISTANCE PROGRAMS

### INTERNATIONAL SECURITY ASSISTANCE

#### Economic Support Fund

For an additional amount for "Economic Support Fund," \$422,000,000, to remain available until September 30, 2004, for accelerated assistance for Afghanistan: Provided, That these funds are available notwithstanding section 660 of the Foreign Assistance Act of 1961, and section 620(q) of that Act or any comparable provision of law: Provided further, That these funds may be used for activities related to the disarmament, demobilization, and reintegration of militia combatants, including the registration of such combatants, notwithstanding any other provision of law: Provided further, That not to exceed \$200,000,000 appropriated under this heading in the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2004, may be used for the costs, as defined in section 502 of the Congressional Budget Act of 1974, of modifying direct loans and guarantees for Pakistan: Provided further, That amounts that are made available under the previous proviso for the cost of modifying direct loans and guarantees shall not be considered "assistance" for purposes of provisions of law limiting assistance to a country.

This request for \$422 million for the Economic Support Fund (ESF) would provide resources to fulfill the President's commitment to accelerate assistance to Afghanistan in order to achieve tangible progress for the Afghan people in economic growth and democracy by June 2004. In some cases, these funds will augment acceleration of assistance activities already begun with transferred or reallocated FY 2003 funds.

Specifically, requested funds are currently planned to achieve the following:

- Disarmament, Demobilization, and Reintegration (DDR): \$60 million would enable registration of 100,000 militia combatants (100 percent), and to demobilize and integrate an additional 13,000 militia combatants, including training, job placement, and other integration activities.
- Support for the Government of Afghanistan (GOA): \$37 million would help the GOA pay its civil servants, develop a communications capability between Kabul and provincial capitals, and expand domestic revenue generation by 35 percent.
- Elections and Governance: \$37 million would help the GOA complete voter registration and successfully conduct free and fair elections.
- Policy Experts: \$20 million would fund technical experts in Afghan ministries to build in-house capacity and improve the GOA's ability to manage accelerated reconstruction efforts.
- Roads: \$105 million would allow work to begin rebuilding the Kandahar-Herat road on an accelerated basis, and to make significant progress on rebuilding 1,000 kilometers of key secondary and tertiary roads.
- Schools and Education: \$40 million would rehabilitate or construct an additional 275 schools, and provide training for 10,000 additional teachers.

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- Health and Clinics: \$28 million would build an additional 150 clinics, providing access to basic health care to 3 million additional people.
- Provincial Reconstruction Team (PRT) Projects: \$50 million would allow PRTs in 16-20 provincial sites, particularly in the south and southeast of Afghanistan, to carry out small-scale local reconstruction projects that will provide direct and visible benefits to local populations.
- Private Sector Initiatives: \$45 million would fund construction of 100 market centers throughout the provinces, reform property laws and create a land registry, complete a natural resources assessment to spur private sector investment, create a venture capital fund, and fund short-term power generation projects that will increase reliability of electricity to Kabul.

In addition, this request would allow up to \$200 million in ESF funds requested for Pakistan and appropriated under the FY 2004 foreign operations, export financing, and related programs appropriations act to be used to provide debt reduction for Pakistan.

INTERNATIONAL ASSISTANCE PROGRAMS

INTERNATIONAL SECURITY ASSISTANCE

Foreign Military Financing Program

For an additional amount for "Foreign Military Financing Program," \$222,000,000, for accelerated assistance for Afghanistan.

This request would provide \$222 million for the Foreign Military Financing program. The funds are urgently needed to accelerate assistance to build the new Afghanistan army and would be used to train, equip, and sustain the essential core of a multi-ethnic national army that can help to strengthen the central government by the June 2004 elections. In addition, the funds would provide for construction of training and basing infrastructure required to accomplish this objective. In some cases, these funds will augment acceleration of assistance activities already begun with transferred or reallocated FY 2003 funds.

INTERNATIONAL ASSISTANCE PROGRAMS

INTERNATIONAL SECURITY ASSISTANCE

Peacekeeping Operations

For an additional amount for "Peacekeeping Operations," \$50,000,000, to support the global war on terrorism.

This request would provide \$50 million for the State Department's Peacekeeping Operations programs to support additional multinational peacekeeping needs in Iraq and other unanticipated peacekeeping crises.

## INTERNATIONAL ASSISTANCE PROGRAMS

### INTERNATIONAL SECURITY ASSISTANCE

#### United States Emergency Fund for Complex Foreign Crises

For necessary expenses to enable the President to respond to or prevent unforeseen complex foreign crises, \$100,000,000, to remain available until expended: Provided, That these funds may be made available only pursuant to a determination by the President that it is in the national interest to furnish assistance on such terms and conditions as he may determine for such purposes, including support for peace and humanitarian intervention operations to prevent or respond to foreign territorial disputes, armed ethnic and civil conflicts that pose threats to regional and international peace, and acts of ethnic cleansing, mass killing or genocide: Provided further, That none of these funds shall be available to respond to natural disasters: Provided further, That from these funds the President may make allocations to Federal agencies to carry out the authorities provided under this heading: Provided further, That the President may furnish assistance under this heading notwithstanding any other provision of law.

This funding would assist the President to quickly and effectively respond to complex foreign crises by providing resources that can be drawn upon at the onset of a crisis. Given the evolving global situation including Iraq, it is important to have contingent funds available to respond to unforeseen needs and requirements. This appropriation could be used to fund a range of foreign assistance activities, including support for peace and humanitarian intervention operations. Use of this appropriation would require a determination by the President that a complex emergency exists and that it is in the national interest to furnish assistance in response. This appropriation will not fund assistance activities in response to natural disasters because existing funding is available for that purpose.

INTERNATIONAL ASSISTANCE PROGRAMS

INTERNATIONAL SECURITY ASSISTANCE

Nonproliferation, Anti-Terrorism, Demining and Related Programs

For an additional amount for "Nonproliferation, Anti-Terrorism, Demining and Related Programs," \$35,000,000, for accelerated assistance for Afghanistan.

This request would provide \$35 million to support anti-terrorism training programs and equipment needs in Afghanistan, including continuing in-country support for the protection of Afghan President Karzai.

INTERNATIONAL ASSISTANCE PROGRAMS  
AGENCY FOR INTERNATIONAL DEVELOPMENT

Operating Expenses of the United States Agency for International Development

For an additional amount for "Operating Expenses of the United States Agency for International Development," \$40,000,000.

This request would provide \$40 million for the Operating Expenses of the United States Agency for International Development (USAID) account to help to fund additional operating costs for USAID, including staff, facilities, and security, which are associated with reconstruction and other assistance activities that will be administered by USAID in Iraq and Afghanistan.

## GENERAL PROVISIONS

Sec. \_\_\_\_\_. In addition to transfer authority otherwise provided in this title, any appropriation made available in this title may be transferred between such appropriations, to be available for the same purposes and the same time as the appropriation to which transferred: Provided, That the total amount transferred pursuant to this section shall not exceed \$200,000,000.

This provision would allow transfers among the accounts for which funding is requested in this Title, with a cumulative cap of \$200 million. This would allow the President to move funds between accounts to provide the most effective possible aid to the Iraqi and Afghan people.

Sec. \_\_\_\_\_. Assistance or other financing under this title or any other Foreign Operations, Export Financing, and Related Programs Appropriations Act may be provided for Iraq, notwithstanding any other provision of law.

Like section 1502 of the Wartime Supplemental, this section would provide authority to provide assistance or other financing for Iraq "notwithstanding any other provision of law," which continues to be needed to ensure that assistance or other financing may be provided swiftly and flexibly.

Sec. \_\_\_\_\_. Funds made available in this title are available notwithstanding section 10 of Public Law 91-672 and section 15 of the State Department Basic Authorities Act of 1956, as amended.

This provision allows the appropriations requested in this Title to be made available without specific authorization of such appropriations.

Sec. \_\_\_\_\_. Section 1503 of Public Law 108-11 is amended by:

(1) striking the third proviso; and

(2) rewording the last proviso as follows: "Provided further, That the authorities contained in this section shall be effective beginning in fiscal year 2003 and thereafter."

This section strengthens existing authorities for defense exports under Public Law 108-11 in order to provide greater flexibility in accommodating evolving security needs in Iraq. In addition, the provision makes permanent authorities provided to the President in Public Law 108-11. Although the President, on May 7, 2003, exercised his authority under section 1503 as originally enacted to make inapplicable to Iraq any provisions of law that apply to countries that support terrorism and to suspend relevant provisions of the Iraq Sanctions Act, this amendment is necessary to ensure that the requirements of section 307 of the Foreign Assistance Act to

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withhold the U.S. proportionate share of contributions to international organizations that have programs in Iraq and provisions of law directing voting against or opposing programs (which are the subject of the fourth and fifth provisos of section 1503) shall also not apply with respect to Iraq after September 30, 2004, the date specified in section 1503. (This proposal is without prejudice to the long-standing Executive Branch concerns regarding the constitutionality of such directed voting provisions.) Making these provisions permanent is particularly important as the United States pursues long-range efforts to assist Iraq and marshal resources from the international community.

Sec. \_\_\_\_\_. Public Law 107-57 is amended –

(1) in section 1(a), by striking "2002" wherever appearing (including in the caption), and inserting in lieu thereof "2004";

(2) in section 3(2), by striking "Foreign Operations, Export Financing, and Related Programs Appropriations Acts, 2002, as is" and inserting in lieu thereof "annual foreign operations, export financing, and related programs appropriations Acts for fiscal years 2002, 2003, and 2004, as are"; and

(3) in section 6, by striking "2003" and inserting in lieu thereof "2004".

This section would extend key provisions of P.L. 107-57 by exempting Pakistan from the restrictions that would otherwise limit assistance to Pakistan. This provision is necessary to allow FY 2004 assistance to be provided to Pakistan.

Sec. \_\_\_\_\_. Notwithstanding any other provision of law, the Overseas Private Investment Corporation is authorized to undertake any program authorized by title IV of the Foreign Assistance Act of 1961 in Iraq.

This section would allow Overseas Private Investment Corporation to provide political risk insurance, direct loans and guarantees in Iraq.

TITLE III

GENERAL PROVISION – THIS ACT

Sec. \_\_\_\_\_. The amounts provided in this Act are designated by the Congress as an emergency requirement pursuant to section 502 of H. Con. Res. 95 (108<sup>th</sup> Congress).