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DRAFT

Policy Brief
FY05 Iraq and Tsunami Relief Supplemental (H.R. 1268)

By the Numbers:

In millions

| | Request | House | Conference | Conf. vs. Request |
|--------------------|----------------|---------------|-------------------|--------------------------|
| Defense | 74,980 | 76,839 | 75,888 | +908 |
| Foreign Aid | 5,593 | 3,213 | 4,129 | -1,464 |
| Tsunami Relief | 950 | 905 | 907 | -43 |
| Homeland Security | 359 | 358 | 1,178 | +819 |
| Other | 0 | 0 | 132 | +132 |
| Grand Total | 81,882 | 81,315 | 82,234 | +350 |

NOTE: These numbers are unofficial pending a CBO score and differ slightly from tallies provided by the Appropriations Committee.

Department of Defense Funding:

In millions

| | Request | House | Conference | Conf. vs. Request |
|------------------------------------|----------------|--------------|-------------------|--------------------------|
| Military Personnel | 15,327 | 17,067 | 17,447 | +2,120 |
| Operations & Maintenance | 38,010 | 37,568 | 37,101 | -909 |
| <i>Overseas Disaster/Civic Aid</i> | 10 | 10 | 0 | -10 |
| <i>Afghanistan Security Fund</i> | 1,285 | 1,285 | 1,285 | 0 |
| <i>Iraq Security Fund</i> | 5,700 | 5,700 | 5,700 | 0 |
| Procurement | 16,136 | 18,317 | 17,379 | +1,243 |
| R&D, Test & Evaluation | 460 | 508 | 587 | +127 |
| Defense Working Capital Fund | 1,311 | 1,411 | 1,511 | +200 |

| | | | | |
|--|---------------|---------------|---------------|-------------|
| National Defense Sealift Fund | 32 | 32 | 32 | 0 |
| Drug Interdiction & Counter Drug Activities | 257 | 257 | 242 | -15 |
| Intelligence Community Management Account | 250 | 250 | 250 | 0 |
| Military Quality of Life (military construction, defense health program, etc.) | 3,183 | 3,108 | 2,997 | -186 |
| RESCISSION of Iraq Freedom Fund | 0 | 0 | -50 | -50 |
| Grand Total | 74,980 | 76,839 | 75,888 | +908 |

Non-Tsunami Foreign Aid:

In millions

| | Request | House | Conference | Conf. vs Request |
|---|---------|--------|------------|------------------|
| USAID | 134 | 71 | 117 | -17 |
| Economic Support Fund | 1,631 | 1,058 | 1,433 | -198 |
| <i>Palestinians (w/ restrictions)</i> | 200 | 200 | 200 | 0 |
| Assistance for Former Soviet Union States (Ukraine) | 60 | 34 | 70 | +10 |
| Global War on Terror Partners Fund | 200 | 0 | 0 | 0 |
| International Narcotics Control and Enforcement | 660 | 594 | 620 | -40 |
| Migration and Refugee Assistance | 53 | 103 | 120 | +67 |
| Nonproliferation, Anti-terrorism, and Demining | 32 | 17 | 25 | +8 |
| Foreign Military Financing Program | 250 | 250 | 250 | 0 |
| Peacekeeping Operations | 210 | 10 | 240 | +30 |
| RESCISSION of unspent relief to Turkey | 0 | -1,000 | -1,000 | -1,000 |
| Diplomatic and Consular Programs | 767 | 749 | 734 | -33 |
| Embassy Construction | 658 | 592 | 592 | -66 |
| International Peacekeeping | 780 | 580 | 680 | -100 |
| International Broadcasting | 5 | 5 | 5 | 0 |
| Broadcasting Capital Improvement | 3 | 0 | 3 | 0 |
| P.L. 480 Agriculture | 150 | 150 | 240 | +90 |

| | | | | |
|--------------------|--------------|--------------|--------------|---------------|
| (Sudan) | | | | |
| Grand Total | 5,593 | 3,213 | 4,129 | -1,464 |

Tsunami Relief:

In millions

| | Request | House | Conference | Conf. vs. Request |
|---|----------------|--------------|-------------------|--------------------------|
| Tsunami Recovery and Reconstruction Fund | 701 | 656 | 656 | -45 |
| Dept. of Defense (replenish accounts) | 226 | 226 | 226 | 0 |
| Dept. of Homeland Security (replenish Coast Guard) | .4 | .4 | .4 | 0 |
| Dept. of Interior (better tsunami and earthquake detection) | 8 | 8 | 8 | 0 |
| NOAA (better tsunami detection) | 15 | 15 | 17 | +2 |
| Grand Total | 950 | 905 | 907 | -43 |

Homeland Security:

In millions

| | Request | House | Conference | Conf. vs Request |
|--|----------------|--------------|-------------------|-------------------------|
| Detention Trustee | 0 | 0 | 184 | +184 |
| RESCISSION from Legal Asset Forfeiture Fund | 0 | 0 | -40 | -40 |
| Customs and Border Protection | 0 | 0 | 176 | +176 |
| Immigration and Customs | 0 | 0 | 454 | +454 |
| Nuclear Nonproliferation Administration | 110 | 110 | 84 | -26 |
| Coast Guard | 161 | 161 | 161 | 0 |
| Federal Law Enforcement Training Center (border security and customs) | 0 | 0 | 4 | +4 |
| U.S. Marshals Service | 0 | 0 | 12 | +12 |
| FBI | 80 | 79 | 74 | -6 |
| Drug Enforcement Agency | 8 | 8 | 8 | 0 |
| Architect of the Capitol | 0 | 0 | 8 | +8 |
| Capitol Police | 0 | 0 | 14 | +14 |
| Leg Branch Expenses "related to business continuity/disaster recovery" | 0 | 0 | 39 | +39 |

| | | | | |
|--------------------|------------|------------|--------------|-------------|
| Grand Total | 359 | 358 | 1,178 | +819 |
|--------------------|------------|------------|--------------|-------------|

“Other Emergency Appropriations”:

| | Request | House | Conference | Conf. vs. Request |
|------------------------------------|----------------|--------------|-------------------|--------------------------|
| Emergency Watershed Program (Utah) | 0 | 0 | 103 | +105 |
| DOI Salaries/Expenses | 0 | 0 | 3 | +3 |
| Repair Forest Facilities (CA) | 0 | 0 | 24 | +24 |
| Grand Total | 0 | 0 | 132 | +132 |

Earmarks:

- Rental Assistance Projects in North Carolina (transfers funds from one account to another)
- Confers eligibility for Rural Housing Assistance grants on the Village of New Miami, OH
- Transfers \$4 million from the Lost River watershed project to the Upper Tygart watershed project, WV
- Allows farm service agency funds to “be applied to accounts of Alaska dairy farmers owed to the Secretary of Agriculture.” (Sec. 5104)
- \$10 million (offset by rescinding unspent funds) to Pocono Township, Tannersville, PA “to assist in the expansion of the only existing injectable influenza vaccine production facility in the US.”
- \$58 million (offset by transferring funds from the cancer hospital loan fund) to the Centers for Disease Control to stockpile flu countermeasures
- Increases a project cost from \$20 million to \$55 million in DeSoto County, MS
- Increases the cost of the Fort Peck Fish Hatchery project from \$20 million to \$25 million, MN
- \$2 million for the National Center for Manufacturing Services, MI
- \$825,000 for developing “metal hybrid hydrogen storage,” CA
- \$2 million for the Southeast Regional Cooling Center, MS
- \$3 million for the Texas Southwestern Medical Center and the Dallas Metroplex Comprehensive Imaging Center, TX
- \$500,000 for the Oral History of the Negotiated Settlement Project at the Univ. of Nevada-Reno and an additional \$500,000 for the university’s desalination technology
- \$4 million for the Fire Sciences Academy in Elko, Nevada
- \$2 million to upgrade chemical laboratories at Drew University, NJ
- \$1 million for the remediation of natural gas leaks in the Borough of Versailles, PA

Funds for Palestinians:

- Provides \$200,000,000 for programs, activities, and efforts to support Palestinians, of which \$50,000,000 would be for assistance for Israel to help ease the movement of Palestinian people and goods in and out of Israel.
- Not later than 60 days after the date of enactment of this Act, the President would have to submit a report to the Congress detailing the specific steps taken by the Palestinian Authority to dismantle the terrorist infrastructure, confiscate unauthorized weapons, arrest and bring terrorists to justice, destroy unauthorized arms factories, thwart and preempt terrorist attacks, and cooperate with Israel's security services; specific actions taken by the Palestinian Authority to stop incitement in Palestinian Authority-controlled electronic and print media and in schools, mosques, and other institutions it controls, and to promote peace and coexistence with Israel; specific steps the Palestinian Authority has taken to further democracy, the rule of law, and an independent judiciary, and transparent and accountable governance; the Palestinian Authority's cooperation with United States officials in investigations into the late Palestinian leader Yasser Arafat's finances; and other related steps.
- Up to \$5,000,000 of the funds made available for assistance for the West Bank and Gaza under "Economic Support Fund" would have to be used for an outside, independent evaluation by an internationally recognized accounting firm of the transparency and accountability of Palestinian Authority accounting procedures and an audit of expenditures by the Palestinian Authority. A GAO audit is required for all funds for the bilateral West Bank and Gaza Program in FY2005 under the heading "Economic Support Fund." It's unclear how much, if any, of the \$200 million in this Act would be subject to the GAO audit requirement.
- The conferees agree that the budget request and the recommendation contained in this Act do not provide specific direct financial support for the Palestinian Authority or the Palestine Liberation Organization. Plus, the conferees agree that the President cannot waive this restriction on PLO funding. **NOTE:** in the House-passed version of H.R. 1268, this language was contained in the bill text itself. Here it only contained in the report language, which means it technically is not legally binding.
- The Conference Report recommends that the \$200 million be divided up as follows (with certain, limited transfers of funds allowed):

Palestinian agriculture and agribusiness production and marketing
\$15,000,000

Trade promotion and capacity building
\$24,000,000

Home construction financing
\$1,000,000

Job creation, with an emphasis on construction of schools and community centers
\$20,000,000

Improved flow of people and goods into Israel
\$50,000,000

Roads and water
\$50,000,000

Democratic reform and the rule of law
\$16,000,000

Community Policing
\$3,000,000

Education, including vocational training
\$8,000,000

Health care and food assistance
\$13,000,000

Additional Items:

U.N. Code of Conduct—The bill includes provisions prohibiting U.S. assistance for organizations who have not adopted strict International standards and penalties to prevent the sexual exploitation and abuse of international disaster victims.

Independent Counsel— The bill drops extraneous language added by the Senate related to Independent Counsel’s investigation of former Secretary Henry Cisneros.

Video News Releases— The bill includes language requiring federal agencies to include disclaimers on video news releases to clarify they were prepared at taxpayer expense.

Death Benefits and Gratuity— The bill increases the maximum Servicemember Group Life Insurance benefits from \$250K to \$400K; The onetime death gratuity for combat fatalities is also increased from \$12k to \$100K.

Traumatic Injury Protection Insurance—The Conference Report includes a new insurance benefit of up to \$100K for soldiers who have suffered traumatic injuries such as loss of limb, sight or other debilitating injuries.

Cargo Plans and Destroyers: The bill retains the Senate provisions on C130J cargo planes and DD(X) naval destroyers. The DD(X) provision prohibits funds from being used “to prepare for, conduct, or implement a strategy for the acquisition of the next generation destroyer (DD(X)) program through a winner-take-all strategy” defined as the acquisition of such destroyers “through a single shipyard.”

Capitol Visitor Center: The bill includes a provision repealing a 2002 law that allowed the chair and ranking minority member of the Appropriations to have authority over aspects

of CVC construction. Recent news reports have indicted the ranking minority member currently is blocking part of the CVC construction (Sec. 6049).

Asian Soybean Rust/Common Computing Environment.—The conferees direct that of the funds made available to the Administrator of the Farm Service Agency, not less than \$33 million shall be available for Geographic Information Systems, of which not less than \$23.5 million shall be available to the National Agricultural Imagery Program.

The tsunami reconstruction portion of the conference agreement includes:

- \$5 million to support environmental recovery activities in tsunami-affected countries;
- \$10 million for programs and activities that create new economic opportunities for women;
- \$1.5 million to support initiatives for the protection of women and children from violence, trafficking and exploitation;
- \$1.5 for programs to address the needs of people with disabilities resulting from injuries and trauma caused by the tsunami; and
- \$12.5 million to support initiatives that focus on the immediate and long-term needs of children.

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