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OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

November 17, 2011
(Senate)

STATEMENT OF ADMINISTRATION POLICY

S. 1867 – National Defense Authorization Act for FY 2012

(Sen. Levin, D-MI)

The Administration supports Senate passage of S. 1867, the National Defense Authorization Act for Fiscal Year (FY) 2012. The Administration appreciates the Senate Armed Services Committee's continued support of our national defense, including its support for both the base budget and for overseas contingency operations and for most of the Administration's initiatives to control spiraling health costs of the Department of Defense (DoD).

The Administration appreciates the support of the Committee for authorities that assist the ability of the warfighter to operate in unconventional and irregular warfare, authorities that are important to field commanders, such as the Commanders' Emergency Response Program, Global Train and Equip Authority, and other programs that provide commanders with the resources and flexibility to counter unconventional threats or support contingency or stability operations. The Administration looks forward to reviewing a classified annex and working with the Congress to address any concerns on classified programs as the legislative process moves forward.

While there are many areas of agreement with the Committee, the Administration would have serious concerns with provisions that would: (1) constrain the ability of the Armed Forces to carry out their missions; (2) impede the Secretary of Defense's ability to make and implement decisions that eliminate unnecessary overhead or programs to ensure scarce resources are directed to the highest priorities for the warfighter; or (3) depart from the decisions reflected in the President's FY 2012 Budget Request. The Administration looks forward to working with the Congress to address these and other concerns, a number of which are outlined in more detail below.

Detainee Matters: The Administration objects to and has serious legal and policy concerns about many of the detainee provisions in the bill. In their current form, some of these provisions disrupt the Executive branch's ability to enforce the law and impose unwise and unwarranted restrictions on the U.S. Government's ability to aggressively combat international terrorism; other provisions inject legal uncertainty and ambiguity that may only complicate the military's operations and detention practices.

Section 1031 attempts to expressly codify the detention authority that exists under the Authorization for Use of Military Force (Public Law 107-40) (the "AUMF"). The authorities granted by the AUMF, including the detention authority, are essential to our ability to protect the American people from the threat posed by al-Qa'ida and its associated forces, and have enabled us to confront the full range of threats this country faces from those organizations and individuals. Because the authorities codified in this section already exist, the Administration does not believe codification is necessary and poses some risk. After a decade of settled jurisprudence on detention authority, Congress must be careful not to open a whole new series of

legal questions that will distract from our efforts to protect the country. While the current language minimizes many of those risks, future legislative action must ensure that the codification in statute of express military detention authority does not carry unintended consequences that could compromise our ability to protect the American people.

The Administration strongly objects to the military custody provision of section 1032, which would appear to mandate military custody for a certain class of terrorism suspects. This unnecessary, untested, and legally controversial restriction of the President's authority to defend the Nation from terrorist threats would tie the hands of our intelligence and law enforcement professionals. Moreover, applying this military custody requirement to individuals inside the United States, as some Members of Congress have suggested is their intention, would raise serious and unsettled legal questions and would be inconsistent with the fundamental American principle that our military does not patrol our streets. We have spent ten years since September 11, 2001, breaking down the walls between intelligence, military, and law enforcement professionals; Congress should not now rebuild those walls and unnecessarily make the job of preventing terrorist attacks more difficult. Specifically, the provision would limit the flexibility of our national security professionals to choose, based on the evidence and the facts and circumstances of each case, which tool for incapacitating dangerous terrorists best serves our national security interests. The waiver provision fails to address these concerns, particularly in time-sensitive operations in which law enforcement personnel have traditionally played the leading role. These problems are all the more acute because the section defines the category of individuals who would be subject to mandatory military custody by substituting new and untested legislative criteria for the criteria the Executive and Judicial branches are currently using for detention under the AUMF in both habeas litigation and military operations. Such confusion threatens our ability to act swiftly and decisively to capture, detain, and interrogate terrorism suspects, and could disrupt the collection of vital intelligence about threats to the American people.

Rather than fix the fundamental defects of section 1032 or remove it entirely, as the Administration and the chairs of several congressional committees with jurisdiction over these matters have advocated, the revised text merely directs the President to develop procedures to ensure the myriad problems that would result from such a requirement do not come to fruition. Requiring the President to devise such procedures concedes the substantial risks created by mandating military custody, without providing an adequate solution. As a result, it is likely that implementing such procedures would inject significant confusion into counterterrorism operations.

The certification and waiver, required by section 1033 before a detainee may be transferred from Guantánamo Bay to a foreign country, continue to hinder the Executive branch's ability to exercise its military, national security, and foreign relations activities. While these provisions may be intended to be somewhat less restrictive than the analogous provisions in current law, they continue to pose unnecessary obstacles, effectively blocking transfers that would advance our national security interests, and would, in certain circumstances, violate constitutional separation of powers principles. The Executive branch must have the flexibility to act swiftly in conducting negotiations with foreign countries regarding the circumstances of detainee transfers. Section 1034's ban on the use of funds to construct or modify a detention facility in the United States is an unwise intrusion on the military's ability to transfer its detainees as operational needs dictate. Section 1035 conflicts with the consensus-based interagency approach to detainee reviews required under Executive Order No. 13567, which establishes procedures to ensure that

periodic review decisions are informed by the most comprehensive information and the considered views of all relevant agencies. Section 1036, in addition to imposing onerous requirements, conflicts with procedures for detainee reviews in the field that have been developed based on many years of experience by military officers and the Department of Defense. In short, the matters addressed in these provisions are already well regulated by existing procedures and have traditionally been left to the discretion of the Executive branch.

Broadly speaking, the detention provisions in this bill micromanage the work of our experienced counterterrorism professionals, including our military commanders, intelligence professionals, seasoned counterterrorism prosecutors, or other operatives in the field. These professionals have successfully led a Government-wide effort to disrupt, dismantle, and defeat al-Qa'ida and its affiliates and adherents over two consecutive Administrations. The Administration believes strongly that it would be a mistake for Congress to overrule or limit the tactical flexibility of our Nation's counterterrorism professionals.

Any bill that challenges or constrains the President's critical authorities to collect intelligence, incapacitate dangerous terrorists, and protect the Nation would prompt the President's senior advisers to recommend a veto.

Joint Strike Fighter Aircraft (JSF): The Administration also appreciates the Committee's inclusion in the bill of a prohibition on using funds authorized by S. 1867 to be used for the development of the F136 JSF alternate engine. As the Administration has stated, continued development of the F136 engine is an unnecessary diversion of scarce resources.

Medium Extended Air Defense Systems (MEADS): The Administration appreciates the Committee's support for the Department's air and missile defense programs; however, it strongly objects to the lack of authorization of appropriations for continued development of the MEADS program. This lack of authorization could trigger unilateral withdrawal by the United States from the MEADS Memorandum of Understanding (MOU) with Germany and Italy, which could further lead to a DoD obligation to pay all contract costs – a scenario that would likely exceed the cost of satisfying DoD's commitment under the MOU. Further, this lack of authorization could also call into question DoD's ability to honor its financial commitments in other binding cooperative MOUs and have adverse consequences for other international cooperative programs.

Overseas Construction Funding for Guam and Bahrain: The Administration has serious concerns with the limitation on execution of the United States and Government of Japan funds to implement the realignment of United States Marine Forces from Okinawa to Guam. The bill would unnecessarily restrict the ability and flexibility of the President to execute our foreign and defense policies with our ally, Japan. The Administration also has concerns over the lack of authorization of appropriations for military construction projects in Guam and Bahrain. Deferring or eliminating these projects could send the unintended message that the United States does not stand by its allies or its agreements.

Provisions Authorizing Activities with Partner Nations: The Administration appreciates the support of the Committee to improve capabilities of other nations to support counterterrorism efforts and other U.S. interests, and urges the inclusion of DoD's requested proposals, which balance U.S. national security and broader foreign policy interests. The Administration would prefer only an annual extension of the support to foreign nation counter-drug activities authority in line with its request. While the inclusion of section 1207 (Global Security Contingency Fund)

is welcome, several provisions may affect Executive branch agility in the implementation of this authority. Section 1204 (relating to Yemen) would require a 60-day notify and wait period not only for Yemen, but for all other countries as well, which would impose an excessive delay and seriously impede the Executive branch's ability to respond to emerging requirements.

Unrequested Authorization Increases: Although not the only examples in S. 1867, the Administration notes and objects to the addition of \$240 million and \$200 million, respectively, in unrequested authorization for unneeded upgrades to M-1 Abrams tanks and Rapid Innovation Program research and development in this fiscally constrained environment. The Administration believes the amounts appropriated in FY 2011 and requested in FY 2012 fully fund DoD's requirements in these areas.

Advance Appropriations for Acquisition: The Administration objects to section 131, which would provide only incremental funding – undermining stability and cost discipline – rather than the advance appropriations that the Administration requested for the procurement of Advanced Extremely High Frequency satellites and certain classified programs.

Authority to Extend Deadline for Completion of a Limited Number of Base Closure and Realignment (BRAC) Recommendations: The Administration requests inclusion of its proposed authority for the Secretary or Deputy Secretary of Defense to extend the 2005 BRAC implementation deadline for up to ten (10) recommendations for a period of no more than one year in order to ensure no disruption to the full and complete implementation of each of these recommendations, as well as continuity of operations. Section 2904 of the Defense Base Closure and Realignment Act imposes on DoD a legal obligation to close and realign all installations so recommended by the BRAC Commission to the President and to complete all such closures and realignments no later than September 15, 2011. DoD has a handful of recommendations with schedules that complete implementation close to the statutory deadline.

TRICARE Providers: The Administration is currently undertaking a review with relevant agencies, including the Departments of Defense, Labor, and Justice, to clarify the responsibility of health care providers under civil and workers' rights laws. The Administration therefore objects to section 702, which categorically excludes TRICARE network providers from being considered subcontractors for purposes of the Federal Acquisition Regulation or any other law.

Troops to Teachers Program: The Administration urges the Senate's support for the transfer of the Troops to Teachers Program to DoD in FY 2012, as reflected in the President's Budget and DoD's legislative proposal to amend the Elementary and Secondary Education Act of 1965 and Title 10 of the U.S. Code in lieu of section 1048. The move to Defense will help ensure that this important program supporting members of the military as teachers is retained and provide better oversight of 6 program outcomes by simplifying and streamlining program management. The Administration looks forward to keeping the Congress abreast of this transfer, to ensure it runs smoothly and has no adverse impact on program enrollees.

Constitutional concerns: A number of the bill's provisions raise additional constitutional concerns, such as sections 233 and 1241, which could intrude on the President's constitutional authority to maintain the confidentiality of sensitive diplomatic communications. The Administration looks forward to working with the Congress to address these and other concerns.

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