

# CRS Report for Congress

## Second FY2008 Supplemental Appropriations for Military Operations, International Affairs, and Other Purposes

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# Second FY2008 Supplemental Appropriations for Military Operations, International Affairs, and Other Purposes

## Summary

On Thursday, May 22, 2008, the Senate approved an amended version of H.R. 2642, a bill providing \$212.2 billion in supplemental appropriations for FY2008 and FY2009. The measure includes \$169.1 billion for military operations in Iraq, Afghanistan and elsewhere, \$9.9 billion for international affairs programs, and \$33.1 billion for domestic programs, of which \$15.6 billion is for extended unemployment compensation. The bill also expands veterans' educational benefits at an estimated cost of \$52 billion over the next ten years, delays Medicaid regulations that would reduce payments to states, and limits Medicare payments to new specialty hospitals.

The Senate approved these measures as amendments to H.R. 2642, which the House had used a week earlier as a vehicle for supplemental funding. On key roll calls, all of which required 60 votes for approval, the Senate rejected by a vote of 34-63 an amendment to the House bill to provide funding for defense programs and to establish Iraq-related policies; approved by 75-22 an amendment providing defense funding without policy restrictions; and approved by 70-26 an amendment providing funds for domestic, international affairs, and military construction programs.

A week earlier, on Thursday, May 15, by a vote of 141-149 with 132 voting "present," the House rejected an amendment to H.R. 2642 providing \$162.5 billion in FY2008 and FY2009 supplemental appropriations for military operations. The House agreed, however, to one amendment, adopted by a vote of 227-196, that sets out Iraq-related policies, including a requirement that combat forces be withdrawn from Iraq within 18 months. Another amendment, agreed to by a vote of 256-166, provides expanded GI bill educational benefits, offset by a tax surcharge, extends unemployment compensation, delays new Medicaid regulations, and provides \$9.9 billion for international affairs programs, \$4.6 billion for military construction, and \$24.5 billion for domestic programs. It is expected that the House will take up the Senate-passed version of the bill after Congress returns from the Memorial Day recess. The Defense Department has warned that Army personnel funds would run out by the middle of June without supplemental funding, but officials recently announced a request to transfer funds to the Army sufficient to continue through the end of July. DOD could also use the Feed and Forage Act to extend operations.

During its first session, the 110<sup>th</sup> Congress approved FY2008 emergency supplemental appropriations of \$86.8 billion for the Department of Defense and \$2.4 billion for international affairs, mainly for activities related to military operations in Iraq and Afghanistan. Congress left unresolved, however, Administration requests for \$102.5 billion for defense and \$5.4 billion for international affairs. For congressional action on FY2008 supplemental funding provided through December 2007, see CRS Report RL34278, *FY2008 Supplemental Appropriations for Global War on Terror Military Operations, International Affairs, and Other Purposes*, which will not be updated further. This CRS report will review congressional action on remaining FY2008 and additional FY2009 supplemental funding. It will be updated regularly.

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# Second FY2008 Supplemental Appropriations for Military Operations, International Affairs, and Other Purposes

## Most Recent Developments

On Thursday, May 22, 2008, the Senate approved an amended version of H.R. 2642, a bill providing \$212.2 billion in supplemental appropriations for FY2008 and FY2009. The measure includes \$169.1 billion for military operations in Iraq, Afghanistan and elsewhere, \$9.9 billion for international affairs programs, and \$33.1 billion for domestic programs, of which \$15.6 billion is for extended unemployment compensation. The bill also includes an expansion of veterans' educational benefits estimated to cost \$52 billion over the next ten years, delays new Medicaid regulations that would reduce payments to the states, and limits Medicare payments to new specialty hospitals.

The Senate approved these measures as amendments to H.R. 2642,<sup>1</sup> which the House had used a week earlier as a vehicle for supplemental funding. On key roll call votes, all of which required 60 votes for approval, the Senate

- rejected by a vote of 34-63 an amendment to the House bill to provide funding for defense programs and to establish various Iraq policy provisions;
- approved by a vote of 75-22 an amendment providing defense funding without policy restrictions; and
- approved by a vote of 70-26 an amendment providing funding for domestic programs.

A week earlier, on May 15, 2008, the House rejected a measure to provide \$162.5 billion in FY2008 and FY2009 emergency funding for military operations in Iraq and Afghanistan, but approved a number of Iraq-related policy measures. The House also approved expanded veterans educational benefits, and \$39.1 billion for military construction, domestic programs, and international affairs programs, including \$15.6 billion for extended unemployment compensation. Procedurally, as a vehicle for considering supplemental appropriations without a committee markup,

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<sup>1</sup> H.R. 2642 was the FY2008 military construction/veterans affairs appropriations bill in the 1<sup>st</sup> session of the 110<sup>th</sup> Congress. Both the House and the Senate passed versions of the bill. Further action on the bill became unnecessary when a conference agreement on the bill was incorporated into the FY2008 consolidated appropriations act, H.R. 2764, P.L. 110-161, that the President signed into law on December 26, 2008.

the House brought to the floor the Senate-passed version of H.R. 2642, the FY2008 military construction/veterans' affairs appropriations bill. The House then considered three amendments as substitutes for the text of the bill.

- By a vote of 141-149 with 132 voting present, the House rejected the first amendment to provide \$96.6 billion in FY2008 and \$65.9 billion in FY2009 funding for military operations.
- By a vote of 227-196, the House approved a second amendment to require the withdrawal of combat forces from Iraq within 18 months; establish readiness requirements for the deployment of U.S. troops; require that any agreement on the status of U.S. forces in Iraq be authorized by Congress; mandate that Iraq match U.S. reconstruction aid dollar-for-dollar and agree to subsidize fuel costs for U.S. forces; make contractors in war zones subject to prosecution for offenses that would violate U.S. law; prohibit the establishment of permanent bases in Iraq; and prohibit interrogation techniques not authorized in the Army Field Manual.
- And, by a vote of 256-166, the House approved a third amendment providing \$39.1 billion in FY2008 and FY2009 for military construction, domestic, and international affairs programs. The amendment also expands veterans educational benefit at an estimate cost of \$52 billion over ten years, with an offsetting increase in taxes on those with incomes above \$500,000 for an individual or \$1,000,000 for a couple.

On May 2, the White House sent Congress an amendment to its FY2009 budget formally requesting \$70 billion in emergency FY2009 funding, including \$66 billion for the Department of Defense and \$4 billion for international affairs programs. The \$66 billion request for the Defense Department constitutes a "bridge fund" sufficient to allow the services to carry on both day-to-day peacetime activities and military operations overseas until the middle of 2009. Approval of a bridge fund – which the appropriations committees had planned to provide before the White House made its formal request – will allow Congress to avoid a debate over war funding during the fall election period, and also provide the 111<sup>th</sup> Congress time to act on a full-year war supplemental after the next President takes office.

The \$4 billion FY2009 emergency international affairs request includes \$770 million in emergency food-related assistance announced on May 1 (though FY2009 funding would not be available until October 1, 2008), \$1.4 billion for aid to Iraq, \$1.1 billion for aid to Afghanistan, \$350 million for the Middle East, \$193 million for Pakistan, \$123 million for stabilization operations in Africa, \$36 million for security for diplomats in the Middle East, Sudan, and Somalia, and \$15 million for the six party agreement on North Korean nuclear programs.

Earlier, on May 1, the President announced a new request for \$770 million in FY2009 emergency supplemental appropriations for international food aid. The Administration had requested \$350 million for P.L. 480 international food assistance in its October, 2007, budget amendment to the FY2008 supplemental request.

Senators Durbin and Casey had proposed adding \$200 million in food aid to the supplemental.

## **How Long Available FY2008 Funding Will Last**

Defense officials had calculated that funding for the Army appropriated in the regular FY2008 defense appropriations act, P.L. 110-116, together with FY2008 supplemental appropriations provided in the consolidated appropriations act, P.L. 110-161, will begin to run out some time in June — by about the middle of June for Army military personnel accounts and by the end of June for Army operation and maintenance. On May 27, however, the Defense Department requested congressional approval to transfer \$9.7 billion of funds to the Army, sufficient, officials said, to extend operations through the end of July.<sup>2</sup> DOD requested that Congress including in a supplemental bill authority to replenish the accounts from which the transfers of funds were made. The Defense Department could also invoke the Feed and Forage Act to obligate funds in advance of appropriations or use other standing authorities to extend operations further.<sup>3</sup>

## **Key Elements of the House- and Senate-Passed Bills**

### **Expanded GI Bill Veterans' Education Benefits**

The enhanced GI bill educational benefits included both in the House- and in the Senate-passed bills appear to have become a critical issue. While the House leadership agreed to offset the costs with a surcharge on high-income taxpayers, the Senate bill does not include offsets. If the Senate does not agree to offsets, it is unclear whether the more conservative “Blue Dog” House Democrats will support expanded benefits in a final bill.

In addition, the Defense Department has opposed the legislation, and Senate Republicans, with White House support, have proposed an alternative. At a May 8 press conference, Secretary of Defense Robert Gates and Joint Chiefs Chairman Admiral Michael Mullen complained that the measure being proposed in the House and Senate bills would undermine retention of personnel because it would make full educational benefits available for service members who have not reenlisted for a second term. On May 6, at an event to honor military spouses, the President said that he was sending to Congress legislation that would improve benefits for military

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<sup>2</sup> Department of Defense, “Reprogramming Action – Prior Approval,” DOD Serial Number FY 08-19 PA, “Army Operational Requirements,” and Department of Defense, “Reprogramming Action – Prior Approval,” DOD Serial Number FY 08-18 PA, “Various Military Personnel Appropriations,” both dated May 27, 2008. See also, Christopher J. Castelli, “DOD Seeks to Shift \$9.7 Billion for War Costs,” *Inside Defense*, May 29, 2008.

<sup>3</sup> See CRS Report RL34275, *How Long Can the Defense Department Finance FY2008 Operations in Advance of Supplemental Appropriations?*, by Stephen Daggett and Pat Towell and CRS Report RL33110, *The Cost of Iraq, Afghanistan, and Other Global War on Terror Operations Since 9/11*, by Amy Belasco.

families, including a measure that would allow educational benefits to be transferred to children or spouses.

On May 14, Senate Republicans brought up an alternative GI bill expansion proposal sponsored by Senator Graham as an amendment to pending collective bargaining legislation.<sup>4</sup> That amendment was based on S. 2938, a measure to increase veterans education benefits that Senator Graham proposed on April 29 with a number of co-sponsors, including Senator McCain. The Graham bill provides larger benefits for military personnel who serve for at least 12 years and permits benefits to be transferred to other family members. The education benefit measure included in the House and Senate supplemental bills, in contrast, is based on a bill, S. 22/H.R. 5740, sponsored by Senator Webb and Representative Mitchell, that provides maximum benefits after thirty-six months of service. See below for a further discussion of specific provisions of the Webb and Graham proposals.

## **House and Senate Differences Over Other Domestic Spending**

Apart from the fact that the House rejected funding for military operations (except for military construction funds that were grouped together with funding for domestic programs), the main differences between the House and Senate bills have to do with amounts for domestic spending. Both the House and the Senate bills provide \$9.9 billion for international affairs programs, though the bills allocate the funds somewhat differently. Both bills also include expanded GI bill educational benefits, with \$716 million in funding in FY2008 and FY2009 and extended unemployment benefits with \$15.6 billion of appropriated funds.

Beyond that, the House bill provides \$5.8 billion in FY2009 emergency funds for Gulf Coast levee construction; \$1.6 billion for FY2008 and FY2009 costs of delaying new Medicaid reimbursement regulations; \$210 million for the census; and \$178 million for shortfalls in the federal prison system budget. Representative Obey, the chairman of the House Appropriations Committee, insisted that all of these funds were requested in some form by the Administration.

The Senate-passed bill provides \$8.6 billion more than the House bill for domestic programs. Of the additional funds \$4.6 billion is for hurricane-related relief and reconstruction and other disaster assistance (for a total in the Senate bill of \$10.4 billion), and \$1 billion is provided for low-income energy assistance, \$590 million for state and local law enforcement assistance, \$400 million for secure local schools, \$437 million for veterans' administration polytrauma facilities, \$275 million for food and drug administration safety programs, and \$1.2 billion for a "science initiative" with funds allocated to NASA, the Department of Energy, and the National Institutes of Health.

The additional funds in the Senate bill for domestic programs have been a matter of considerable debate among Democrats in view of presidential veto

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<sup>4</sup> Bart Jansen, Josh Rogin and Kathleen Hunter, "GOP Slips McCain's GI Bill Alternative into Play on Senate Floor," *CQ Today Online News*, May 14, 2008.



warnings. The House leadership resisted adding funds for domestic programs and, except for veterans education benefits, unemployment compensation, and the cost of delaying new medicaid rules, the House stayed within limits on spending that the White House insisted on. Since the domestic program amendment passed with 70 votes in the Senate, however, some legislators may now be more willing to risk a veto battle with the President over domestic spending.

**Table 1** provides an overview of House and Senate funding compared to the request. It shows funding by title within the bills and it provides a breakdown of defense, international affairs, and domestic spending. **Table 2** provides a comparison of House, Senate, and requested funding for selected programs. It is intended mainly to highlight key differences between the House and the Senate. A detailed breakdown of funding by account is provided in **Tables B-1** and **B-2** in **Appendix B** at end of this report.

**Table 1. Overview of House and Senate Supplemental Appropriations in H.R. 2642 by Title and by Major Category /a/**  
(amounts in millions of dollars)

	<b>Request</b>	<b>House-Passed</b>	<b>Senate-Passed</b>
<b>Totals by Title</b>			
Title I: Other Security, Military Construction, and International Matters /b/	12,048,005	14,909,096	14,231,264
Title II: Domestic Matters	--	498,169	4,049,600
Title III (Senate Only): Hurricanes Katrina and Rita, and Other Natural Disasters /b/	5,761,000	5,761,000	10,396,751
Title IV (Senate)/Title III (House): Veterans Educational Assistance	--	716,000	717,000
Title V (Senate)/Title IV (House): Emergency Unemployment Compensation	--	15,610,000	15,610,000
Title VI (Senate)/Title V (House): Department of Health and Human Services [Medicaid Moratorium and Other Measures]	--	1,600,000	1,755,000
Title IX: Defense Matters /b/	166,015,369	--	165,427,034
<b>Totals by Category</b>			
Defense /b/	168,453,900	4,641,684	169,127,993
International Affairs	9,423,708	9,918,108	9,918,608
Domestic	5,946,766	24,534,473	33,140,048
[Extended Unemployment Benefits]	[0]	[15,610,000]	[15,610,000]
[Other Domestic Programs]		[8,924,473]	[17,530,048]
<b>Totals in Bill</b>			
<b>Total FY2008 and FY2009 Supplemental Appropriations</b>	<b>183,824,374</b>	<b>39,094,265</b>	<b>212,186,649</b>

**Sources:** Request and Senate amounts from Senate Appropriations Committee, "FY2008 Supplemental Explanatory Material," May 20, 2008, on line at [<http://appropriations.senate.gov/>]; House amounts by CRS based on explanatory material prepared by the House Appropriations Committee and distributed on May 15, 2008, by the House Rules Committee on line at [[http://www.rules.house.gov/announcement\\_details.aspx?NewsID=3333](http://www.rules.house.gov/announcement_details.aspx?NewsID=3333)].

**Notes:** Totals may not add due to rounding. Does not include costs of enhanced veteran's educational benefits after FY2009 nor offsetting reductions in future unemployment compensation costs.

a. This title breakdown follows the Senate bill. House programs are allocated to each title to be comparable to the Senate amounts.

b. In addition to funding provided in Title IX for military operations, the "Defense" category total includes military construction funds and funds for defense-related activities of the Department of Energy provided in Titles I and III. See **Appendix B** for a more detailed display of funding by appropriations account.

**Table 2. Selective Comparison of House- and Senate-Passed Supplemental Appropriations, H.R. 2642**

(amounts in thousands of dollars)

	Request	House	Senate	House vs. Senate
<b>Title I: Other Security, Military Construction, and International Matters</b>				
<b>Department of Agriculture</b>				
P.L. 480 International Food Assistance	745,000	1,245,000	1,245,000	—
<b>Department of Justice</b>				
Federal Bureau of Investigation	140,184	174,769	247,565	+72,796
Drug Enforcement Administration, Salaries and Expenses	8,468	12,166	22,666	+10,500
Other Dept of Justice Programs	37,114	42,369	42,369	—
<b>Department of Defense</b>				
Military Construction	2,010,855	3,275,284	2,228,304	-1,046,980
Family Housing	427,676	1,366,400	1,214,652	-151,748
<b>Department of Veterans Affairs</b>				
Polytrauma Clinics and Other Programs	—	120,000	557,100	+437,100
<b>International Affairs Supplemental Appropriations for Fiscal Year 2008</b>				
<b>Administration of Foreign Affairs, Embassy Security and Other</b>	1,868,008	1,691,008	1,512,900	-178,108
<b>International Organizations, Peacekeeping Programs</b>	386,600	386,600	449,600	+63,000
<b>Broadcasting Board of Governors</b>	—	—	3,000	+3,000
<b>Bilateral Economic and Military Assistance</b>				
International disaster assistance	—	200,000	240,000	+40,000
AID Operation Expenses	41,000	146,000	153,500	+7,500
Economic support fund	2,009,000	1,747,000	1,962,500	+215,500
Democracy fund	—	75,000	76,000	+1,000
International narcotics control and law enforcement	734,000	419,300	520,000	+100,700
Migration and refugee assistance	30,000	325,000	367,108	+42,108
Nonproliferation, anti-terrorism, demining and related programs	5,000	11,200	10,000	-1,200
Foreign Military Financing Programs	—	72,500	--	-72,500
Peacekeeping operations	—	—	10,000	+10,000
World Food Program	—	20,000	—	-20,000
International narcotics control and law enforcement (Sudan)	—	10,000	—	-10,000
Offsetting Rescissions	—	-30,000	—	+30,000
<b>International Affairs Bridge Fund Appropriations for Fiscal Year 2009</b>				
<b>Administration of Foreign Affairs, Embassy Security and Other</b>	1,081,300	836,200	750,700	-85,500
<b>International Organizations, Peacekeeping Programs</b>	40,000	225,500	225,500	—
<b>Broadcasting Board of Governors</b>	—	8,000	6,000	-2,000
<b>Bilateral Economic and Military Assistance</b>				
Global Health and Child Survival	—	75,000	75,000	—
Development Assistance	210,000	200,000	200,000	—
International disaster assistance	270,000	200,000	200,000	—
Operating expenses of the US Agency for International Development	60,000	93,000	93,000	—
Operating expenses of the US Agency for International Development Office of Inspector General	—	1,000	1,000	—

	Request	House	Senate	House vs. Senate
Economic support fund	1,297,800	1,147,300	1,132,300	-15,000
International narcotics control and law enforcement	225,000	204,500	151,000	-53,500
Migration and refugee assistance	191,000	350,000	350,000	—
Nonproliferation, anti-terrorism, demining and related programs	—	4,000	4,500	+500
Foreign Military Financing program grants	170,000	170,000	145,000	-25,000
Peacekeeping operations	60,000	85,000	85,000	--
World Food Program	—	—	20,000	+20,000
International narcotics control and law enforcement (Sudan)	—	—	10,000	+10,000
Horn of Africa	—	—	40,000	+40,000
Food Security and Cyclone relief	—	—	225,000	+225,000
Jordan	—	—	300,000	+300,000
Offsetting Rescissions	—	—	-645,000	-645,000
<b>Total, Title I</b>	<b>12,048,005</b>	<b>14,939,096</b>	<b>14,231,264</b>	<b>-707,832</b>
<b>Title II: Domestic Matters</b>				
<b>Food and Drug Administration</b>	—	—	275,000	+275,000
<b>Bureau of the Census</b>	—	210,000	210,000	—
<b>Department of Justice</b>				
United States Marshals Service, Salaries and Expenses	—	—	50,000	+50,000
Federal Prison System, Salaries and Expenses	—	178,000	178,000	—
State and Local Law Enforcement Assistance	—	—	590,000	+590,000
<b>Science</b>				
NASA, Return to Flight	—	—	200,000	+200,000
National Science Foundation	—	—	200,000	+200,000
Non-Defense Energy Programs, Cleanup and Science	—	—	157,000	+157,000
Defense Environmental Cleanup	—	—	243,000	+243,000
National Institutes of Health	—	—	400,000	+400,000
<b>Small Business Administration</b>	—	—	600	+600
<b>Secure Rural Schools</b>	—	—	400,000	+400,000
<b>State Unemployment Insurance</b>	—	110,000	110,000	—
<b>Centers for Disease Control, Research and Training</b>	—	—	26,000	+26,000
<b>Low-Income Energy Assistance (LIHEAP)</b>	—	—	1,000,000	+1,000,000
<b>House of Representatives, Payments to Widows and Heirs</b>	—	169		-169
<b>American Battle Monuments Commission, Foreign Currency Account</b>	—	—	10,000	+10,000
<b>Total, Title II</b>	—	<b>498,169</b>	<b>4,049,600</b>	<b>+3,551,431</b>
<b>Title III: Hurricanes Katrina and Rita, and Other Natural Disasters</b>				
<b>Emergency Conservation Program</b>	—	—	49,413	+49,413
<b>Emergency Watershed Protection Program</b>	—	—	130,464	+130,464
<b>Rural Electric and Telecommunication Loans</b>	—	—	1,000	+1,000
<b>Offsetting Rescissions</b>	—	—	-1,000	-1,000
<b>Economic Development Assistance Programs</b>	—	—	75,000	+75,000

	Request	House	Senate	House vs. Senate
<b>National Oceanic and Atmospheric Administration</b>	—	—	75,000	+75,000
<b>State and Local Law Enforcement Assistance</b>	—	—	75,000	+75,000
<b>Corps of Engineers</b>	5,761,000	5,761,000	8,759,745	+2,998,745
<b>Bureau of Land Management, Wildland Fire Management</b>	—	—	125,000	+125,000
<b>National Park Service, Historic Preservation Fund</b>	—	—	15,000	+15,000
<b>EPA, State and Tribal Assistance Grants</b>	—	—	5,000	+5,000
<b>Forest Service, Wildland Fire Management</b>	—	—	325,000	+325,000
<b>Centers for Medicare and Medicaid Services</b>	—	—	350,000	+350,000
<b>Department of Defense</b>				
Military Construction Army National Guard	—	—	11,503	+11,503
Offsetting Rescissions	—	—	-7,000	-7,000
Family Housing Navy	—	—	10,500	+10,500
<b>Emergency Highway Relief Program</b>	—	—	451,126	+451,126
<b>Department of Housing and Urban Development</b>	—	—	146,000	+146,000
<b>Louisiana Road Home (rescission of emergency funds)</b>	—	—	-200,000	-200,000
<b>Total, Title III</b>	<b>5,761,000</b>	<b>5,761,000</b>	<b>10,396,751</b>	<b>+4,635,751</b>
<b>Title IV (Senate)/Title III (House): Veterans Educational Assistance</b>				
<b>Veterans Educational Assistance, FY2008</b>	—	40,000	40,000	—
<b>Veterans Educational Assistance, FY2009</b>	—	676,000	677,000	+1,000
<b>Total, Title IV</b>	—	<b>716,000</b>	<b>717,000</b>	<b>+1,000</b>
<b>TITLE V (Senate)/Title IV (House): Emergency Unemployment Compensation</b>				
<b>Emergency unemployment compensation FY2008</b>	—	6,170,000	6,170,000	—
<b>Emergency unemployment compensation FY2009</b>	—	9,440,000	9,440,000	—
<b>Total, Title V</b>	—	<b>15,610,000</b>	<b>15,610,000</b>	—
<b>Title VI (Senate)/Title V (House): Department of Health and Human Services</b>				
<b>Medicaid Moratorium, FY2008</b>	—	450,000	--	-450,000
<b>Medicaid Moratorium, FY2009</b>	—	1,150,000	--	-1,150,000
<b>Medicaid, Medicare and SCHIP provisions, FY2008</b>	—	--	530,000	+530,000
<b>Medicaid, Medicare and SCHIP provisions, FY2009</b>	—	--	1,225,000	+1,225,000
<b>Total, Title VI</b>	—	<b>1,600,000</b>	<b>1,755,000</b>	<b>+155,000</b>
<b>Title IX: Defense Matters</b>				
<b>Defense Supplemental Appropriations for Fiscal Year 2008</b>				
Military Personnel	16,767,299	—	18,065,599	+18,065,599
Operation and Maintenance	31,271,603	—	31,475,336	+31,475,336
Iraq Freedom Fund	207,500	—	50,000	+50,000
Afghanistan Security Forces Fund	1,350,000	—	1,400,000	+1,400,000
Iraq Security Forces Fund	1,500,000	—	1,500,000	+1,500,000
Procurement	44,411,846	—	42,006,355	+42,006,355
Research, Development, Test and Evaluation	2,945,748	—	1,745,483	+1,745,483

	Request	House	Senate	House vs. Senate
Revolving and Management Funds	962,785	—	1,842,560	+1,842,560
Defense Health Program	561,741	—	1,413,864	+1,413,864
Other Programs	69,411	—	146,711	+146,711
General Provisions	6,500	—	6,500	+6,500
<b>Defense Bridge Fund Appropriations for Fiscal Year 2009</b>				
Military Personnel	3,805,000	—	1,194,000	+1,194,000
Operation and Maintenance	44,870,064	—	51,916,009	+51,916,009
Afghanistan Security Forces Fund	3,666,259	—	2,000,000	+2,000,000
Iraq Security Forces Fund	2,000,000	—	1,000,000	+1,000,000
Procurement	2,930,044	—	4,435,320	+4,435,320
Research, Development, Test and Evaluation	379,125	—	387,828	+387,828
Defense Working Capital Funds	2,200,000	—	--	--
Defense Health Program	400,000	—	1,100,000	+1,100,000
Drug Interdiction and Counter-Drug Activities, Defense	130,000	—	188,000	+188,000
Joint Improvised Explosive Device Defeat fund	2,970,444	—	2,000,000	+2,000,000
Mine Resistant Ambush Protected Vehicle fund	2,610,000	—	1,700,000	+1,700,000
Rescission of emergency appropriations	--	—	-146,531	-146,531
<b>Total, Title IX</b>	<b>166,015,369</b>	<b>—</b>	<b>165,427,034</b>	<b>+165,427,034</b>
<b>Total in Bill</b>	<b>183,824,374</b>	<b>39,094,265</b>	<b>212,186,649</b>	<b>+173,062,384</b>

**Sources:** Request and Senate amounts from Senate Appropriations Committee, “FY2008 Supplemental Explanatory Material,” May 20, 2008, on line at [<http://appropriations.senate.gov/>]; House amounts by CRS based on explanatory material prepared by the House Appropriations Committee and distributed on May 15, 2008, by the House Rules Committee on line at [[http://www.rules.house.gov/announcement\\_details.aspx?NewsID=3333](http://www.rules.house.gov/announcement_details.aspx?NewsID=3333)].

## Iraq Policy

**House-passed and Senate committee bills.** The House-passed version of H.R. 2642 includes a package of Iraq-related policy provisions requiring

- that a redeployment U.S. forces out of Iraq begin within 30 days of enactment of the legislation with a goal of completing withdrawal of combat troops by December, 2009;
- that any agreement on the status of U.S. forces in Iraq be authorized by Congress;
- that Iraq match U.S. reconstruction aid dollar-for-dollar;
- that Iraq agree to subsidize fuel costs for U.S. forces; and
- that U.S. troops meet guidelines for readiness before being deployed, including guidelines for time at home between rotations.

The House-passed Iraq policy amendment also makes contractors in war zones subject to prosecution for offenses that would violate U.S. law, prohibits the establishment of permanent bases in Iraq, and prohibits interrogation techniques not authorized in the Army Field Manual.

The Senate, however, rejected by a vote of 34-63 a package of Iraq policy provisions that were approved by the appropriations committee. The vote did not necessarily reflect the sentiment of the Senate on policy matters, however – several anti-war Senators said they opposed the measure because of \$163 billion in funding for operations overseas.

The Senate committee measures did not establish a timetable for withdrawal, as in the House bill. The rejected Senate policy provisions would

- state that the mission of U.S. forces in Iraq should shift to counter-terrorism, training, and force protection;
- require that units be fully mission capable before being deployed, with a Presidential waiver;
- set limits on the time units may be deployed of one year in the Army and seven months in the Marine Corps, also with a waiver;
- require that units be based at home for the same periods between rotations, with a waiver;
- prohibit permanent bases in Iraq;
- require congressional approval of any security agreements with Iraq;
- prohibit an agreement that would place U.S. forces under Iraqi criminal jurisdiction;
- require a report on Iraq's budget;
- require Iraq to reimburse U.S. forces for fuel costs;
- establish criminal statutes against profiteering and other fraud and abuse;
- prohibit U.S. funding of large-scale infrastructure projects in Iraq;
- require an agreement with Iraq to share costs of military operations; and
- require that the International Red Cross be informed of and have access to any detainees.

The committee proposal also included expanded oversight of contractors and an extension of laws governing extraterritorial jurisdiction over contractor personnel.

Though the Senate did not approve these measures, they may, nonetheless, be considered as House and Senate leaders negotiate what to include in a final bill.

**The Iraq policy debate on supplemental bills in 2007.** Last year, the FY2007 and FY2008 supplemental appropriations bills were the main legislative focuses of debate over U.S. policy in Iraq. Though majorities both in the House and in the Senate supported such measures, Congress was never able to enact provisions either requiring troop withdrawals or revising the missions of deployed forces. On May 1, 2007 the President vetoed H.R. 1591, an initial House- and Senate-passed bill providing FY2007 supplemental appropriations for the war, that would have required the Secretary of Defense to begin withdrawing troops from Iraq starting either on July 1 or on October 1, 2007, depending on the Iraqi government's performance in meeting specific benchmarks. On May 2, 2007, by a vote of 222-203, with approval of 2/3 required, the House failed to override the veto.

Subsequently, Congress approved and, on May 25, 2007, the President signed into law, a compromise FY2007 supplemental bill, H.R. 2206, P.L. 110-28, that did not require troop withdrawals but that established 18 benchmarks for performance by the Iraqi government and required reports from the Administration on progress toward the benchmarks in July and again in September 2007. The bill also required a report on the benchmarks from the Government Accountability Office in September 2007. These reports then provided a basis for subsequent debates.<sup>5</sup>

Later, when Congress took up FY2008 supplemental funding at the end of the year, Iraq policy was again a focus of debate. On November 14, 2007, the House passed a bill, H.R. 4156, providing a bridge fund of \$50 billion for military operations overseas, and requiring the withdrawal of most forces from Iraq by December 2008. The measure died two days later, on November 16, when the Senate refused by a vote of 53-45, with 60 vote required, to invoke cloture. The FY2008 consolidated appropriations act, P.L. 110-161, enacted on December 26, 2007, provided \$70 billion for military operations without Iraq-related policy provisions. The bill included extensive reporting requirements, but none that were fundamentally new. See **Appendix A**, below, for a more extensive review of congressional action on supplemental funding through the end of December 2007. For a full discussion, see also CRS Report RL34278, *FY2008 Supplemental Appropriations for Global War on Terror Military Operations, International Affairs, and Other Purposes*, by Stephen Daggett, Susan B. Epstein, Rhoda Margesson, Curt Tarnoff, and Pat Towell.

**The Iraq policy debate in 2008.** The 18 benchmarks established by the FY2007 supplemental have recently reemerged as focus of discussion over Iraq policy this year. On May 9, 2008, in response to a question for the record from Representative Mike McIntyre at an April 9, 2008, House Armed Services Committee hearing on Iraq, the Administration provided an update, not yet publicly released, on the status Iraqi progress to date toward the 18 benchmarks. GAO has also recently been tasked to provide a progress report on Iraq by June 2008.

For the most part, however, debate over Iraq policy has focused on the effects of the surge of U.S. forces into Iraq beginning last spring, on the current security situation, and on the conditions that would allow U.S. forces to be withdrawn and by when. In April 2008 congressional hearings with General Petraeus and Ambassador Crocker, a number of legislators expressed dissatisfaction with aspects of current U.S. Iraq policy.<sup>6</sup> That policy calls for a drawdown of U.S. forces in Iraq to pre-“surge” levels, followed by a period of evaluation of the situation on the ground and

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<sup>5</sup> For a full review of congressional action on FY2007 supplemental appropriations, see CRS Report RL33900, *FY2007 Supplemental Appropriations for Defense, Foreign Affairs, and Other Purposes*, by Stephen Daggett, Amy Belasco, Pat Towell, Susan B. Epstein, Connie Veillette, Curt Tarnoff, Rhoda Margesson, and Bart Elias, final update July 2, 2007.

<sup>6</sup> In addition to other appearances, General Petraeus and Ambassador Crocker testified before the Senate Armed Services Committee and the Senate Foreign Relations Committee on April 8, 2008, and before the House Armed Services Committee and the House Foreign Affairs Committee on April 9, 2008. Also Secretary of Defense Gates and Joint Chiefs Chairman Admiral Mullen testified on Iraq before the Senate Armed Services Committee on April 10, 2008.



of options for the U.S. troop presence in Iraq. The policy does not specify a timeline for withdrawal or prescribe changes to the mission.<sup>7</sup>

In action on FY2008 and FY2009 supplemental appropriations, Iraq policy has been a major focus of debate. As noted briefly above, the House approved a package of Iraq-related policy provisions, while the Senate rejected measures that had been approved by the Senate Appropriations Committee. The Senate committee measures appear likely to be matters of discussion as House leaders consider how to address the Senate-passed bill after the Memorial Day recess.<sup>8</sup> Key issues appear to include whether to set a timetable for withdrawal of forces or whether to support a shift in the mission of U.S. forces in Iraq; whether to require congressional approval of an agreement with Iraq on the status of U.S. forces and what conditions to set on an agreement; how to require Iraq to provide a greater share of reconstruction and whether to require Iraq to support U.S. military operations; and what, if any, measures to take in the bill to bolster the readiness of U.S. forces for ongoing operations in Iraq and elsewhere and for unplanned contingencies.

***Timetable for withdrawal/missions of U.S. forces.*** The Senate Appropriations Committee policy amendment would have stated the (non-binding) sense of Congress that the mission of U.S. forces in Iraq should transition to counterterrorism, training and equipping Iraqi forces, and force protection, with the goal of completing that transition by June 2009.<sup>9</sup> The House amendment would both change the mission of U.S. forces in Iraq, and establish a timeline for withdrawal of U.S. forces from Iraq.

Specifically, the House language calls for the President to begin a redeployment of U.S. forces from Iraq within 30 days of enactment, with a goal of completing the withdrawal of combat troops within 18 months.<sup>10</sup> Beyond that point, the House Amendment would allow U.S. forces to remain in, or to deploy to, Iraq, exclusively to undertake any of three missions: force protection; “limited” training, equipping and support of Iraqi security forces; and “targeted” counterterrorism operations.<sup>11</sup> The House Amendment would also require the Secretary of State to provide a

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<sup>7</sup> On May 22, 2008, in testimony to the Senate Armed Services Committee, Multi-National Force-Iraq Commander General David Petraeus confirmed that the completion of the drawdown of “surge” troops would be followed by a 45-day period of evaluation, and added that he now expected to be able to “make a recommendation at that time for some further reductions”. See transcript of the Senate Armed Services Committee meeting to consider the nominations of GEN David Petraeus to be Commander, U.S. Central Command, and LTG Raymond Odierno to be Commander, Multi-National Force-Iraq, May 22, 2008.

<sup>8</sup> See Liriel Higa, “Senate Sends Pared-Down War Supplemental Back to the House,” *CQ Today*, May 22, 2008.

<sup>9</sup> Senate “Amendment # 3 Related to Iraq Policy Matters” to H.R. 2642, Supplemental Appropriations Act 2008, May 13, 2008, Section 12005.

<sup>10</sup> House Amendment #2 to H.R. 2642, Supplemental Appropriations Act, 2008, Section 10012 (b).

<sup>11</sup> House Amendment #2 to H.R. 2642, Supplemental Appropriations Act, 2008, Section 10012 (c).

“strategy for civilian-led post-conflict stabilization and reconstruction assistance for Iraq”, including transferring responsibility for all such assistance from the Department of Defense to the Department of State and the U.S. Agency for International Development.<sup>12</sup>

***Negotiations over the status of U.S. forces in Iraq.*** Both the House-passed and the Senate committee amendments addressed the future status of U.S. forces in Iraq. The U.N. mandate that authorizes a multinational force to operate in Iraq expires at the end of 2008, and the Bush Administration is currently negotiating with the Government of Iraq both a “status of forces” agreement and a partner document – a security framework agreement – to replace it.

The Senate committee amendment would have required that any agreement between the United States and Iraq that contains a “security commitment, arrangement, or assurance” either be submitted to the Senate for approval as a treaty or be otherwise authorized by law.<sup>13</sup> Similarly, the House version would require congressional approval of any such agreement that contains “security assurances for mutual defense”.<sup>14</sup>

The House-passed and Senate committee amendments also include identical language that would prohibit the permanent stationing of U.S. armed forces in Iraq.<sup>15</sup> In the past, Congress has included such language in Iraq spending bills, but White House signing statements have objected to such provisions, saying they impinge on the President’s authority. The Administration has insisted that neither the status of forces agreement, or its partner document, a security framework, would establish permanent bases in Iraq.<sup>16</sup>

Amendments in the House-passed and Senate committee bills would also require the Iraqis to pay the costs of reconstruction and some costs of the war. See

<sup>12</sup> House Amendment #2 to H.R. 2642, Supplemental Appropriations Act, 2008, Section 10012 (e).

<sup>13</sup> Senate “Amendment # 3 Related to Iraq Policy Matters” to H.R. 2642, Supplemental Appropriations Act 2008, May 13, 2008, Section 12006.

<sup>14</sup> House Amendment #2 to H.R. 2642, Supplemental Appropriations Act, 2008, Section 10008 (a). Section 10008 (b) notes that an agreement shall be considered to include security assurances for mutual defense if it includes provisions addressing any of the following: (1) A binding commitment to deploy United States Armed Forces in defense of Iraq, or of any government of faction in Iraq, against any foreign or domestic threat; (2) The number of United States Armed Forces personnel to be deployed to, or stationed in, Iraq; (3) The mission of United States Armed Forces deployed to Iraq; (4) The duration of the presence of United States Armed Forces in Iraq.

<sup>15</sup> House Amendment #2 to H.R. 2642, Supplemental Appropriations Act, 2008, Section 10007; and Senate Amendment #3 to House to H.R. 2642, Supplemental Appropriations Act, 2008, Section 12004.

<sup>16</sup> Testimony of Ambassador David M. Satterfield, Coordinator for Iraq, Department of State, before the House Foreign Affairs Committee, Subcommittees on the Middle East and South Asia, and on International Organizations, Human Rights and Oversight, March 4, 2008, available online at [<http://foreigndaffairs.house.gov/110/sat030408.htm>].

below for a discussion of measures to require Iraqi matching of U.S. reconstruction assistance. (Some related proposals have also been submitted as amendments to the FY2009 National Defense Authorization Act.)

**Readiness of U.S. Forces.** Last year Congress considered several amendments to supplemental funding bills concerning the readiness of U.S. military forces, not only for operations in Iraq and Afghanistan, but for possible unexpected requirements elsewhere. The initial, vetoed FY2007 supplemental, H.R. 1591, included provisions requiring the President to certify that troops meet specific requirements before being deployed. Later, on a number of different bills, Senator Webb proposed a measure to prohibit the deployment of units abroad if they have not spent as much dwell time at home between deployments as they have spent overseas.<sup>17</sup>

A related issue is whether sufficient resources are being devoted to operations in Afghanistan. Some argue that the situation in Afghanistan is deteriorating in part because the U.S. emphasis on Iraq has limited the resources that the United States can afford to deploy in Afghanistan. A decision to send 3,500 more Marines to Afghanistan has been seen as a further strain on the Marine Corps. One argument for pursuing a withdrawal from Iraq is to free up troops for Afghanistan.

Both the House-passed and the Senate committee bills include three identical readiness-related policy provisions that the Administration has objected to in the past. They include

- An amendment requiring that units deployed to Iraq be certified as fully mission capable, with a presidential waiver;
- An amendment limiting the deployment of Army units to Iraq to no more than one year and of Marine Corps units to no more than seven months, also with a presidential waiver and exempting currently deployed units; and
- A provision requiring that the “dwell time” of units at home bases between deployments be no less than a year for Army units and seven months for Marine Corps units, also with a presidential waiver.

## Defense Funding Issues

The Administration requested a total of \$189.3 billion in emergency FY2008 supplemental appropriations for the Department of Defense. Through December 2007, Congress had approved \$86.8 billion, which leaves \$102.5 billion still pending. In March, 2008, the Defense Department provided the congressional defense committees with a revised allocation of the remaining funds. The main changes were to reduce remaining requested funding for “Other Procurement Army” and to add money for Navy, Army National Guard, and Air Force operation and maintenance

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<sup>17</sup> See footnote 3.

accounts. The revision also added about \$1 billion in military construction funds to cover escalating base realignment and closure costs.

In considering the remaining FY2008 defense request, House and Senate appropriations both announced plans to add a “bridge fund” for FY2009 of \$65-70 billion, providing funds mainly for personnel and operating accounts sufficient to allow the military services to continue operations into about the middle of calendar year 2008. This would avoid another contentious debate over Iraq policy during the fall election season, accompanied by DOD complaints that it would have to shut down Army and Marine Corps early in the following year. It would also leave time for the next Administration to formulate its own full-year war supplemental funding proposal based on any proposed changes in strategy and troop levels.

Subsequently, on May 2, 2008, the White House sent Congress a formal request for \$70 billion in emergency war-related FY2009 supplemental funding, of which \$66 billion was for the Department of Defense and \$4 billion for international affairs programs.

**Table 2** above, and, with somewhat more detail, **Tables B-1** and **B-2** in **Appendix B** show House and Senate action on defense funding compared to the unadjusted Administration FY2008 supplemental request and the new FY2009 request. In general, the House leadership bill, like the Senate-passed bill, agreed to the Defense Department’s proposed shifts of FY2008 funds – both bills add funding for base realignment and closure costs and for service operation and maintenance accounts and reduce funding for “other procurement Army,” an account that has grown dramatically in recent supplementals to cover purchase of force protection equipment, trucks, and communications equipment. The Army has been adjusting its projected requirements in all of these areas.

The main congressional initiatives in the FY2008 and FY2009 defense supplemental bills are to add funding for a number of major weapons programs. Both the Senate-passed bill and the House-leadership bill include \$3.6 billion in FY2008 to procure 15 C-17 cargo aircraft, which the Administration is officially proposing to terminate, but for which the Air Force requested funds in its FY2008 and FY2009 unfunded priorities lists. Both bills also adds \$2.5 billion for 34 C-130J cargo aircraft, including a tanker variant for the Marine Corps and a variant for Special Operations Forces. The FY2009 bridge fund includes only a limited amount for procurement, \$4.4 billion all, since most of the money in the bridge fund is intended to sustain operations into next year. Neither bill provides funding for F-22 procurement, leaving the issue to be resolved the regular FY2009 defense appropriations bill.

## International Affairs Remaining FY2008 and Additional FY2009 Supplemental Appropriations<sup>18</sup>

In its initial February 2007 budget for FY2008 and in the October 2007 budget amendment, the Administration requested a total of \$6.9 billion in emergency FY2008 appropriations for international affairs programs. Most of the request was for embassy security and reconstruction assistance in Iraq and Afghanistan. Congress did not address these funding requests until it took up the FY2008 Department of State/Foreign Operations appropriations bill, H.R. 2764, which ultimately became the vehicle for consolidated FY2008 appropriations. Division J of the consolidated appropriations bill comprises a conference agreement on the State/Foreign Operations appropriations bill. It includes, in addition to regular FY2008 appropriations, \$2.4 billion of emergency FY2008 funding.

Not all of that \$2.4 billion was for programs that were part of the Administration's \$6.9 billion emergency funding request. Furthermore, some supplemental funds were allocated to the base international affairs budget when Congress appropriated less than requested in regular funding. According to the State Department, only about \$1.5 billion of the new emergency funding was for programs as requested, leaving \$5.4 billion of the request still to be addressed, of which \$2.3 billion is for State Department and related activities and \$3.1 billion is for foreign operations.

In addition to the remaining FY2008 supplemental request, on May 2, 2008, the Administration amended its regular FY2009 State-Foreign operations request by adding a supplemental request of \$2.24 billion to the Department of State FY2009 regular request and nearly \$2.88 billion in foreign assistance funding, including \$770 million for food security and food aid. **Table 3** shows the remaining FY2008 supplemental request and the FY2009 supplemental request for the State Department and international broadcasting. **Table 4** shows the remaining FY2008 supplemental request and the FY2009 supplemental request for foreign operations. **Table 5** illustrates possible rescissions in the House and Senate bills.

### Congressional Action

The House-passed version of H.R. 2642 would provide for the FY2008 supplemental funds about \$2.1 billion for the Department of State, more than half of which would be for State's Diplomatic and Consular Programs, and, of that, mostly for Iraq diplomatic operations. Also in this account is \$205.2 million for U.S. operations and security in Afghanistan. The House-passed legislation provides \$76.7 million in the Embassy, Construction, and Maintenance account for secure embassy facilities in Afghanistan. The House also agreed to \$333.6 million in International Peacekeeping funds for the United Nations Africa Mission in Darfur (UNAMID). For the FY2009 supplemental funds, the House passed just under \$1.1 billion. (See **Table 3**.)

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<sup>18</sup> Prepared by Susan B. Epstein, Specialist in Foreign Policy.

For U.S. foreign assistance FY2008 supplemental funds, the House approved about \$3.8 billion, including \$929 million for Afghanistan and \$600 million for Iraq. The House also set P.L. 480 emergency food aid funding at \$850 million for FY2008. For FY2009, the House bill provides nearly \$3.0 billion in supplemental funding, including \$455 million for Afghanistan, \$114.5 million for Iraq, and \$595 million for food aid. (See Table 3.)

The Senate bill provides just under \$2 billion for State Department operations in FY2008 and \$982 million for State operations in FY2009. Unlike the House, the Senate bill contains \$3 million and \$6 million for FY2008 and FY2009, respectively, for international broadcasting.

For foreign assistance, the Senate bill provides higher levels of funding than either the Administration request or the House bill in both supplemental years. While both bills contain some rescissions, most noteworthy are the Senate rescissions totaling \$525 million from the well-regarded Millennium Challenge Corporation (MCC).<sup>19</sup> The MCC rescissions are used as offsets, to provide \$300 million for Jordan, a country expected to sign a compact with MCC next year, and \$225 million for International Disaster Assistance. (See **Table 5**.)

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<sup>19</sup> The MCC, first authorized in January 2004 (P.L. 108-199), provides assistance through a competitive bidding process to developing countries that show progress in adopting democratic reforms.

**Table 3. FY2008 and FY2009 Emergency Supplemental for State Department Operations**  
(millions of U.S. dollars)

Activity	Total FY2008 Supp. Request	Enacted Supp. H.R. 2764 PL110-161	State Dept FY08 Supp Allocation <sup>a</sup>	State Dept Pending FY08 Supp Request	FY2008 Supp House-passed HR2642	FY2008 Supp Senate-passed HR2642	FY2009 Supp Request	FY2009 Supp House-passed HR2642	FY2009 Supp Senate-passed HR2642	FY2009 Regular Request
<b>Total State Operations</b>	<b>\$3,219.6</b>	<b>\$1,261.6</b>	<b>\$965.0</b>	<b>\$2,254.6</b>	<b>\$2,077.6</b>	<b>\$1,962.5</b>	<b>\$1,121.3</b>	<b>\$1,061.7</b>	<b>\$1,016.2</b>	<b>11,223.1<sup>b</sup></b>
Diplomatic & Consular Programs	2,283.0	781.6	575.0	1,708.0	\$1,606.8	\$1,413.7	1,064.5	\$737.9	\$652.4	\$5,364.3
Iraq Operations	(2,120.6)	(575.0)	(575.0)	(1,545.6)	(210.5)	(50.0)	(921.0)	(78.4)	(78.4)	
Worldwide Security Protection	(162.4)	(206.6)	(—)	(162.4)			(45.8)			
Education & Cultural Exchanges	—	—	—	—	—	\$10.0	—	—	—	\$522.4
Embassy Security, Construction & Maintenance	\$160.0	—	—	\$160.0	\$76.7	\$76.7	—	\$41.3	\$41.3	\$1,789.7
Office of Inspector General	—	—	—	—	\$7.5	\$12.5	\$16.8	\$57.0	\$57.0	\$35.5
Contributions to International Organizations	\$53.0	—	—	\$53.0	\$53.0	\$66.0	\$40.0	\$75.0	\$75.0	1,529.4 <sup>c</sup>
Contributions to International Peacekeeping	\$723.6	\$468.0	\$390.0	\$333.6	\$333.6	\$383.6	—	\$150.5	\$150.5	\$1,497.0
<b>Broadcasting</b>	<b>—</b>	<b>\$12.0</b>	<b>\$12.0</b>	<b>—</b>	<b>—</b>	<b>\$3.0</b>	<b>—</b>	<b>—</b>	<b>\$6.0</b>	<b>\$699.5</b>
<b>Total</b>	<b>\$3,219.6</b>	<b>\$1,261.6</b>	<b>\$977.0</b>	<b>\$2,254.6</b>	<b>\$2,077.6</b>	<b>\$1,965.5</b>	<b>\$2,242.6</b>	<b>\$1,061.7</b>	<b>\$982.2</b>	<b>\$10,915.4</b>

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**Source:** H.R. 2642, the Department of State, and CRS calculations. For FY2009 figures, Office of Management and Budget, “FY2009 Emergency Budget Amendments: Operation Iraqi Freedom, Operation Enduring Freedom, and Selected Other International Activities,” May 2, 2008.

### **Notes**

- a. These numbers differ from those in the FY2008 consolidated appropriations act, P.L. 110-161, because the Department of State applied some of the supplemental funding to the FY2008 base budget and because Congress provided some supplemental funding for activities not requested by the Administration.
- b. Includes funds for budget accounts not listed in this table — this table shows only budget accounts for which supplemental funds were requested.
- c. Includes worldwide security upgrade funds for embassies.



**Table 4. FY2008 and FY2009 Foreign Operations Emergency Supplemental**  
(millions of U.S. dollars)

Account	Total FY2008 Supp. Request	Enacted Supp HR2764 PL110-161 <sup>a</sup>	FY08 Supp Allocation	Remaining FY08 Supp Request	FY2008 Supp House-passed HR2642	FY2008 Supp Senate-passed HR2642	FY2009 Supp Request	FY2009 Supp House-passed HR2642	FY2009 Supp Senate-passed HR2642	FY2009 Regular Request <sup>b</sup>
<b>Afghanistan</b>	<b>839.0</b>	n.a	—	<b>839.0</b>	<b>929.0</b>	<b>904.0</b>	<b>924.9</b>	<b>455.0</b>	<b>455.0</b>	<b>1,054.0</b>
ESF	834.0				859.0	899.0	749.9	455.0	455.0	707.0
NADR	5.0				5.0	5.0	—	—	—	31.6
INCLE	—				65.0	—	175.0	—	—	250.0
USAID Operating Expenses	(16.0)				—	—	—	—	—	—
<b>Iraq</b>	<b>956.0</b>	n.a	—	<b>956.0</b>	<b>600.0</b>	<b>558.0</b>	<b>212.8</b>	<b>104.5</b>	<b>114.5</b>	<b>397.0</b>
ESF	797.0				440.0	398.0	212.8	100.0	110.0	300.0
INCLE	159.0				80.0	85.0	—	—	—	75.0
NADR					—	—		4.5	4.5	
DF					75.0	75.0		—	—	
<b>Pakistan</b>	<b>60.0</b>	n.a	—	<b>60.0</b>	—	<b>60.0</b>	<b>170.0</b>	<b>175.0</b>	<b>150.0</b>	<b>826.3</b>
ESF	60.0				—	60.0	70	175.0	150.0	453.2
FMF					—	—	100.0	—	—	300.0
<b>Lebanon</b>							<b>50.0</b>		<b>45.0</b>	<b>142.4</b>
FMF	—	—	—	—	—	—	50.0	—	45.0	62.2
<b>Jordan</b>					<b>150.0</b>	<b>450.0</b>	<b>100.0</b>	<b>200.0</b>	<b>200.0</b>	<b>535.4</b>
FMF	—	—	—	—	—	—	100.0	100.0	100.0	263.5
ESF					150.0	150.0		100.0	100.0	
ESF/FMF offset with rescissions						300.0				

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Account	Total FY2008 Supp. Request	Enacted Supp HR2764 PL110-161 <sup>a</sup>	FY08 Supp Allocation	Remaining FY08 Supp Request	FY2008 Supp House- passed HR2642	FY2008 Supp Senate- passed HR2642	FY2009 Supp Request	FY2009 Supp House- passed HR2642	FY2009 Supp Senate- passed HR2642	FY2009 Regular Request <sup>b</sup>
<b>West Bank/Gaza</b>	<b>375.0</b>	n.a	<b>155.0</b>	<b>220.0</b>	<b>125.0</b>	<b>225.0</b>	<b>200.0</b>	<b>150.0</b>	<b>200.0</b>	<b>100.0</b>
INCLE	25.0		—		25.0	25.0	50.0	50.0	50.0	25.0
ESF	350.0		155.0		100.0	200.0	150.0	150.0	150.0	75.0
<b>North Korea</b>	<b>106.0</b>	n.a	<b>53.0</b>	<b>53.0</b>	<b>53.0</b>	<b>53.0</b>	<b>15.0</b>	<b>15.0</b>	<b>15.0</b>	<b>2.0</b>
ESF	106.0		53.0	53.0	53.0	53.0	15.0	15.0	15.0	2.0
<b>Mexico</b>	<b>500.0</b>	0.0	—	<b>500.0</b>	<b>296.5</b>	<b>350.0</b>	—	<b>103.5</b>	—	<b>501.0</b>
INCLE	—			—	210.0	350.0		53.5	—	477.8
FMF	500.0			—	66.5	—		50.0	—	
ESF	—			—	20.0	—		—	—	
<b>Central America</b>	<b>50.0</b>	—	—	<b>50.0</b>	<b>56.5</b>	<b>90.0</b>	—	—	—	<b>16.7</b>
INCLE	50.0			50.0	29.3	50.0				
NADR	—			—	6.2	—				
FMF	—			—	6.0	—				
ESF	—			—	15.0	40.0				
<b>Haiti (INCLE)</b>	—	—	—	—	<b>2.5</b>	<b>5.0</b>	—	—	—	<b>245.9</b>
<b>Dominican Republic (INCLE)</b>	—	—	—	—	<b>2.5</b>	<b>5.0</b>	—	—	—	<b>32.2</b>
<b>Nepal (ESF)</b>					—	<b>7.0</b>	—	—	—	<b>38.2</b>
<b>Philippines (ESF)</b>					—	<b>15.0</b>	—	—	—	<b>99.2</b>
<b>Sri Lanka (ESF)</b>					—	<b>6.0</b>	—	—	—	<b>6.5</b>
<b>Thailand (ESF)</b>					—	<b>2.5</b>	—	—	—	<b>11.1</b>
<b>Vietnam (ESF)</b>					—	<b>2.0</b>	—	—	—	<b>99.5</b>

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Account	Total FY2008 Supp. Request	Enacted Supp HR2764 PL110-161 <sup>a</sup>	FY08 Supp Allocation	Remaining FY08 Supp Request	FY2008 Supp House-passed HR2642	FY2008 Supp Senate-passed HR2642	FY2009 Supp Request	FY2009 Supp House-passed HR2642	FY2009 Supp Senate-passed HR2642	FY2009 Regular Request <sup>b</sup>
Bangladesh (ESF)	—	—	—	—	25.0	25.0	—	50.0	50.0	106.8
Burma (ESF)	—	—	—	—	—	—	—	5.3	5.3	15.9
Africa (ESF)	—	—	—	—	40.0	—	—	—	—	151.8
Sudan ESF	70.0 70.0	n.a	—	70.0 70.0	45.0 45.0	45.0 45.0	—	25.0 25.0	25.0 25.0	332.6 254.1
Somalia PKO	—	—	—	—	—	—	40.0 40.0	40.0 40.0	40.0 40.0	40.3 11.6
Kenya (ESF)	—	—	—	—	—	12.0	45.0	25.0	25.0	569.4
Democratic Republic of the Congo ESF PKO	—	—	—	—	—	25.0 15.0 10.0	20.0 — 20.0	30.0 10.0 20.0	30.0 10.0 20.0	95.1
Zimbabwe ((ESF)	—	—	—	—	—	5.0	—	15.0	15.0	45.4
Chad ((ESF)	—	—	—	—	—	5.0	—	5.0	5.0	7.5
Central African Republic (ESF)	—	—	—	—	—	2.0	—	2.0	2.0	0.2
Uganda (ESF)	—	—	—	—	—	22.0	15.0	15.0	15.0	345.8
Poland FMF	—	—	—	—	—	—	20.0 20.0	—	—	29.2 27.0
Stabilization/Peacekeeping	—	—	—	—	—	(10.0)	(80.0)	(85.0)	(85.0)	247.2

## CRS-24

Account	Total FY2008 Supp. Request	Enacted Supp HR2764 PL110-161 <sup>a</sup>	FY08 Supp Allocation	Remaining FY08 Supp Request	FY2008 Supp House-passed HR2642	FY2008 Supp Senate-passed HR2642	FY2009 Supp Request	FY2009 Supp House-passed HR2642	FY2009 Supp Senate-passed HR2642	FY2009 Regular Request <sup>b</sup>
Horn of Africa/Kenya PL480	(110.0) (110.0)	0.0	—	(110.0)	—	—	—	—	—	—
Southern Africa PL480	(135.0) (135.0)	0.0	—	(135.0)	—	—	—	—	—	—
Migration/Refugee Assist.	230.0	200.0	200.0	30.0	300.0	330.5	191.0	350.0	350.0	764.0
Emergency Migration (ERMA)	—	—	—	—	25.0	36.6	—	—	—	45.0
Intern'l Disaster Assist.	80.0	80.0	80.0	—	200.0	240.0	45.0	200.0	325.0	298.1
PL480	350.0	0.0	—	350.0	850.0	850.0	395.0	395.0	395.0	1,225.9
Other Food Security (DA & IDA)	—	—	—	—	—	—	375.0	200.0	200.0	1,937.2
Global Health and Child Survival	—	—	—	—	—	—	—	75.0	75.0	1,577.8
USAID Operating Expenses	61.8	n.a	20.8	41.0	142.0	149.5	60.0	93.0	93.0	767.2
USAID IG	—	—	—	—	4.0	4.0	—	1.0	1.0	40.6
Comprehensive Test Ban Treaty Int'l Monitoring	—	—	—	—	—	5.0	—	—	—	—
Other	—	—	—	—	—	—	—	196.0	125.0	—
<b>Total</b>	<b>3,677.8</b>	<b>1,123.4</b>	<b>508.8</b>	<b>3,169.0</b>	<b>3,846.0</b>	<b>4,489.1</b>	<b>2,878.7</b>	<b>2,925.3</b>	<b>2,955.8</b>	<b>12,750.5</b>

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**Acronyms:** ESF=Economic Support Fund; INCLE=International Narcotics Control and Law Enforcement; FMF=Foreign Military Financing; PKO=peacekeeping Operations; IDA=International Disaster Assistance; DA=Development Assistance; MRA=Migration and Refugee Assistance; NADR=Nonproliferation, Anti-terrorism, Demining, and Related Programs; and PL480=Food for Peace; USAID=U.S. Agency for International Development, DF=Democracy Fund.

**Source:** H.R. 2642, the Department of State, and CRS calculations. For FY2009 figures, Office of Management and Budget, “FY2009 Emergency Budget Amendments: Operation Iraqi Freedom, Operation Enduring Freedom, and Selected Other International Activities,” May 2, 2008.

**Notes:**

- a. Some supplemental funds were not designated in the Joint Explanatory Statement accompanying H.R. 2764 with regard to destination, and are marked as “na.” As more information becomes available, this table will be updated.
- b. Country totals include other accounts for which supplemental funds were not requested. Totals may not match totals in other sections of this report as all country/account funds are not clearly designated within the legislation.

**Table 5. House and Senate Rescissions**  
(\$ Millions)

Account	House	Senate
Andean Counterdrug Program for WFP	\$20.0	\$20.0
INCLE for Sudan	\$10.0	\$10.0
IRRF — expired	—	\$350.0
IRRF — for Mexico	—	\$50.0
IRRF — for Horn of Africa and counterterrorism	—	\$40.0
MCC — for Jordan		\$300.0
MCC — for IDA		\$225.0

Source: H.R. 2642 and the Department of State.

## Iraq Reconstruction Assistance<sup>20</sup>

A major issue in congressional action on supplemental funding for international affairs is how much to provide for Iraq reconstruction and how to increase the role of the Iraqi government. With the passage of the Consolidated FY2008 Appropriations Act, nearly half of the Administration's \$4.9 billion FY2008 supplemental request for Iraq reconstruction was approved. However, of the roughly \$2.1 billion appropriated in this category of assistance, only about \$230 million was for economic aid under the foreign operations portion of the bill, the bulk of enacted reconstruction assistance being in the form of DOD appropriations. Currently outstanding from the FY2008 request and under consideration in the Second FY2008 supplemental is roughly \$2.9 billion, of which \$986 million is for foreign operations economic assistance.

The outstanding FY2008 foreign operations request was for three accounts — \$797 million in the Economic Support Fund (ESF), \$159 million in International Narcotics and Law Enforcement (INCLE), and \$30 million in Migration and Refugee Assistance (MRA). However, the bulk of the pending 2<sup>nd</sup> FY2008 supplemental request for assistance to Iraq is for DOD appropriations for the training and equipping of Iraqi security forces (\$1.5 billion under the Iraq Security Forces Fund, ISFF), for development programs delivered under the Commander's Emergency Response Program, CERP (Iraq could expect at least half of the \$719 million still outstanding for both Iraq and Afghanistan), and for the Task Force to Improve Business and Stability Operations in Iraq (\$100 million under the Iraq Freedom Fund account).

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<sup>20</sup> Prepared by Curt Tarnoff, Specialist in Foreign Affairs. For more detailed discussion of the U.S. program of assistance to Iraq, see CRS Report RL31833, *Iraq: Reconstruction Assistance*.

On May 2, 2008, the Administration issued a request for FY2009 emergency supplemental funding. The request includes \$398.8 million for foreign operations reconstruction — \$212.8 million in ESF, \$141 million in MRA, and \$45 million in IDA accounts. The DOD appropriations reconstruction request includes \$2 billion for the ISFF, \$1.7 billion for the CERP in Iraq and Afghanistan, of which at least half would go to Iraq, and \$50 million for the Business Task Force. Both DOD and Foreign Operations portions of the FY2009 emergency request are being considered by Congress at the same time as the FY2008 supplemental.

The accounts to be funded under both FY2008 and FY2009 supplemental requests support a wide range of reconstruction programs. ESF is the primary source of funding for assistance disbursed by the Provincial Reconstruction Teams (PRTs), which have grown in number under the surge to 25, including 13 newly established ePRTs (embedded PRTs) embedded with U.S. combat battalions and concentrated mostly in Baghdad and Anbar province. The ePRTs are intended to help stabilize areas secured by U.S. and Iraqi forces by supporting local small-scale, employment-generating, economic projects, using ESF-funded community development grants, job training and micro-loan programs, among other activities. PRTs also utilize ESF to increase the capacities of local government officials to spend Iraqi-owned capital funds allocated by the Iraqi government for infrastructure programs. At the national level, ESF supports ministerial capacity development, agriculture and private sector reform, and the strengthening of democratization efforts.

Of the ESF request, \$25 million, accompanied by proposed authorization language, would allow the Administration to establish a new Iraq enterprise fund based on the model created for east Europe and the former Soviet Union in the late 1980s and early 1990s. Enterprise funds are U.S. government-funded private sector-run bodies that primarily provide loans or equity investments to small and medium business. In the former communist countries, enterprise funds also encouraged growth of the private sector, including support for mortgage lending markets and establishment of private equity funds. The most successful example, the Polish Fund, made many profitable investments, helping companies grow that otherwise were unable to obtain financial support in the period just after the fall of communism. Some of the funds, however, have been much less successful, either because they took on poor investment risks, or because they were unable to locate promising businesses due to the poor business climate or competition from other private sector funding sources. Some observers question the usefulness of the funds because their ostensible development purpose seems often to conflict with pressures for economic profit.

The INCLE account largely would support rule of law and corrections programs. The Administration request was expected to fund prison construction, something that Congress has sometimes cut from previous requests. The request was also intended to extend judicial reform and anticorruption efforts to the provinces. The MRA request would address the continuing refugee crisis in the region; an estimated 2.0 million Iraqis have fled the country and another 2.2 million have been displaced due to sectarian violence and instability.

The CERP allows military commanders to support a wide variety of economic activities at the local level, from renovating health clinics to digging wells to painting

schools, provided in the form of small grants. CERP also funds many infrastructure efforts no longer supported with other U.S. assistance, such as provision of electric generators and construction of sewer systems and roads. Commanders are able to identify needs and dispense aid with few bureaucratic encumbrances. More recently, the CERP has paid salaries to the so-called Sons of Iraq, mostly Sunnis who are joining with U.S. forces to provide security.

The DOD Business Task Force seeks to stimulate the economy and create employment for Iraqi citizens by rehabilitating some of the roughly 200 state-owned enterprises that comprised a large portion of the Iraqi economy prior to the U.S. occupation. News reports have suggested some difficulty with the program, resulting from the lack of electricity, the insecure environment, and a lack of enthusiasm from U.S. companies that had been expected to invest in the facilities, among other reasons. To date, about 29 factories have been assisted, responsible for about 10,000 jobs.<sup>21</sup>

Outstanding FY2008 supplemental funds include operational costs (not counted in the reconstruction aid total or the table) for staffing and administering reconstruction programs: \$679 million for PRTs. The new FY2009 supplemental request includes funding for PRT operations (an unspecified portion of a total \$921 million Embassy/PRT request), \$23.6 million for USAID operational expenses, and \$15 million for the Special Inspector General for Iraq Reconstruction (SIGIR).

**House Action on Iraq Reconstruction.** The combined funding amendments #1 and #3 to H.R. 2642, containing versions of the FY2008 and FY2009 supplementals, would have provided a total of \$4.0 billion in additional economic and security reconstruction funding for Iraq, about two-thirds of the \$6.2 billion Administration request for the two years of assistance. See the **Table 6** below for details under each account. However, DOD reconstruction appropriations, contained in amendment #1, were rejected in a House vote on May 15. Of the total FY2008 and FY2009 DOD appropriations request of \$4.9 billion, the failed amendment would have provided \$3.1 billion, or 64%. The House is expected to revisit the issue in early June.

Only amendment #3 of the two funding amendments was approved. It contains the foreign operations portion of Iraq reconstruction assistance. Of the total FY2008 and FY2009 foreign operations request of \$1.4 billion, the House bill provides \$921 million, or 66%.

Judging by the allocations made by the Appropriations Committee for the \$440 million in FY2008 ESF it provides, a significant shift in the direction of the economic aid program may result favoring more local-level assistance programs. Of this amount, at least \$355 million would be targeted to provincial and local community activities, rather than programs supporting the national government. PRT programs would get \$140 million. Related community-based programs, the Community Stabilization Program (CSP) and the Community Action Program

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<sup>21</sup> "In Iraq, One Man's Mission Impossible," *CNN Money.com*, September 4, 2007.



(CAP), would receive \$100 million and \$75 million respectively.<sup>22</sup> Provincial economic growth, including microcredit and agriculture, would get \$40 million. The only significant national-level effort, the National Capacity Development program, would receive \$70 million, a cut of \$178 million from the request. Another request for a nationally-based effort, \$70 million for the provision of infrastructure security protection, was cut entirely. Democracy assistance, requested under ESF, is being provided under the Democracy Fund account at \$75 million, and is expected to be implemented through the National Endowment for Democracy (NED) and other NGOs.

Two other reconstruction provisions in the amended bill are noteworthy. No funding was provided for the Iraqi Enterprise Fund, and such a fund is specifically prohibited. The FY2008 INCLE Iraq program funding, at \$85 million, was cut substantially, by \$74 million, from the request, and no prison construction funding was included.

Because operational funds for the PRTs are blended with those of the Embassy and USAID operating expenses are provided for both Iraq and Afghanistan, it is not possible to say with certainty whether the full request was met by the House amendment. The amendment did provide the SIGIR with \$2.5 million and \$46.5 million for FY2008 and FY2009, respectively.

**Senate Action on Iraq Reconstruction.** With regard to funding levels, the Senate bill differs from the House-passed bill in one large respect — it contains \$2.8 billion in DOD reconstruction appropriations and the House bill currently has none. In other respects, the bills are close. See **Table 6** below for account levels. In all, the Senate bill provides \$4.2 billion for both DOD and foreign operations appropriations in FY2008 and FY2009, 67% of the Administration request.

Like the House, the Senate bill shifts funding strongly in the direction of local-level assistance programs. Of the \$398 million in FY2008 ESF, at least \$313 million would be targeted to provincial and local community activities, rather than programs supporting the national government. PRT programs would get \$138 million. As in the House bill, the CSP and CAP would receive \$100 million and \$75 million respectively, and the National Capacity Development program would receive \$70 million. Infrastructure security protection was cut out. Again, like the House, the Senate bill would provide democracy assistance under the Democracy Fund account at \$75 million. The proposed enterprise fund would also not be funded in the Senate bill.

The Senate bill provides the SIGIR an operating expense level of \$2.5 million in FY2008 and \$36.5 million in FY2009. PRT and USAID operating expense levels are not specified.

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<sup>22</sup> The request for the Community Stabilization Program was cut by \$55 million and half of funds provided are to be withheld until a concern about possible misuse of funds is resolved.

**House and Senate Action on Iraqi Role in Reconstruction.** Reflecting recent indications that Members of both parties desired to see the Iraqi government pay a greater share of the costs of reconstruction, under the approved House amendment #2, the House bill now contains a measure that would require most reconstruction funds to be matched by Iraqi obligations on a dollar-for-dollar basis. The exceptions are for democracy and human rights programs, the USAID Community Action Program and other NGO-assisted programs, humanitarian demining, refugee and displaced persons assistance, intelligence activities, and CERP projects with a value less than \$750,000. It is not clear from the language whether the match would have to be made project-by-project or whether total Iraqi funding for reconstruction in general would suffice to permit continued U.S. assistance at the same level. If the latter, the provision might not affect U.S. funding significantly as, in the past year, Iraqi obligations for security and economic reconstruction have approached the U.S. contribution and will likely surpass it in 2008.

The Senate bill contains the above matching fund language. The Senate bill also contains language that requires the Secretary of Defense to develop a process with Iraq to institute equal sharing of reconstruction costs for all DOD-funded projects costing over \$750,000, beginning by October 1, 2008. The bill debated on the floor on May 22 would also have prohibited DOD funding of large-scale infrastructure projects costing over \$2 million, but this section was rejected along with other so-called policy provisions. As the CERP is exempted from this restriction, the likely effect would have been only to ensure that Iraq funds construction of security-related facilities, such as military barracks and training centers.

**Table 6. Supplemental Appropriations for Iraq Reconstruction**

(millions of U.S. dollars)

<b>International Affairs (Budget Function 150 Accounts)</b>									
	<b>Total FY2008 Supp. Request</b>	<b>Enacted Supp. Allocation H.R. 2764 (PL110-161)</b>	<b>Second FY2008 Supp Request</b>	<b>House Version Second FY2008 Supp</b>	<b>Senate Version FY2008 Supp</b>	<b>FY09 Supp Request</b>	<b>House Version FY2009 Supp</b>	<b>Senate Version FY2009 Supp</b>	<b>FY2009 Regular Request</b>
Economic Support Fund (ESF)	797.0	15.0	797.0	440.0	398.0	212.8	100.0	110.0	300.0
Democracy Fund	—	—	—	75.0	75.0	—	—	—	—
International Narcotics Control and Law Enforcement (INCLE)	159.0	—	159.0	85.0	85.0	—	— <sup>g</sup>	—	75.0
Migration and Refugee Assistance (MRA)	195.0 <sup>a</sup>	149.5 <sup>a</sup>	30.0 <sup>a</sup>	30.0 <sup>j</sup>	30.0 <sup>j</sup>	141.0	141.0 <sup>h</sup>	141 <sup>h</sup>	—
International Disaster Assistance (IDA)	80.0 <sup>b</sup>	80.0 <sup>b</sup>	—	—	—	45.0	45.0 <sup>i</sup>	45.0 <sup>i</sup>	—
Nonprolif, Anti-Terror, Demining (NADR)	—	—	—	—	—	—	4.5	4.5	20.0
<b>TOTAL 150 Account</b>	<b>1,231.0</b>	<b>244.5</b>	<b>986.0</b>	<b>630.0</b>	<b>588.0</b>	<b>398.8</b>	<b>290.5</b>	<b>300.5</b>	<b>395.0</b>
<b>Department of Defense (Budget Function 050 Accounts)</b>									
Iraq Security Forces Fund (ISFF)	3,000	1,500.0	1,500.0	(1,500.0)*	1,500.0	2,000.0	(1,000.0)*	1,000.0	—
Commander's Emergency Response Program (CERP)	609.7 <sup>c</sup>	370.0 <sup>d</sup>	359.7 <sup>e</sup>	(544.9)* <sup>e</sup>	744.9 <sup>e</sup>	850.0 <sup>f</sup>	—	—	—
Iraq Freedom Fund (for Task Force to Improve Business)	100.0	—	100.0	(50.0)*	50.0	50.0	—	—	—
<b>TOTAL 050 Account</b>	<b>3,709.7</b>	<b>1,870.0</b>	<b>1,959.7</b>	<b>(2,094.9)*</b>	<b>2,294.0</b>	<b>2,900.0</b>	<b>(1,000.0)*</b>	<b>1,000.0</b>	<b>—</b>
<b>GRAND TOTAL 150 &amp; 050</b>	<b>4,940.7</b>	<b>2,114.5</b>	<b>2,945.7</b>	<b>(2,724.9)*</b>	<b>2,882.9</b>	<b>3,298.8</b>	<b>(1,290.5)*</b>	<b>1,300.5</b>	<b>395.0</b>

**Sources:** Department of State and DOD FY2008 Congressional Budget Justifications; H.R. 2764; SIGIR, Report to Congress, April 2008; Office of Management and Budget, "FY2009 Emergency Budget Amendments: Operation Iraqi Freedom, Operation Enduring Freedom, and Selected Other International Activities," May 2, 2008; Amendments to H.R. 2642 and Explanatory Statements.

**Note:** Not included are requests of \$45.8 million in USAID Iraq operational expenses (OE) and \$679 million for PRT OE. H.R. 2764 provided USAID with \$20.8 million in OE.

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- \* 150 account funds were contained in amendment #1 to H.R. 2642, which failed to pass on May 15, 2008. Amendment #3, containing 050 account appropriations, was approved by Congress on that date.
- a. H.R. 2764 provided \$200 million for MRA account. The total account request was \$230 million. Table shows amount requested/allocated for Iraq.
- b. H.R. 2764 provided \$110 million for Iraq and other countries affected by disasters. Total IDA account request was \$80 million. Table shows amount allocated for Iraq.
- c. The total CERP request of \$1,219.4 million is for both Iraq and Afghanistan. The amount included here assumes that at least half will be used in Iraq.
- d. Congress appropriated up to \$500 million for the CERP. According to the SIGIR, Iraq has been allocated \$370 million as of April 2008.
- e. The total unenacted FY2008 CERP request of \$719.4 million is for both Iraq and Afghanistan. The amount included here assumes that at least half of the request is for Iraq. The House and Senate figures are amount remaining for Iraq after specified amount for Afghanistan and Philippines is subtracted from total.
- f. The total FY2009 supplemental CERP request of \$1.7 billion is for both Iraq and Afghanistan. The amount included here assumes that at least half of the request is for Iraq.
- g. Total House FY2009 amount for INCLE account is \$204.5 million, including an unspecified level of Iraq aid.
- h. Total House and Senate bill amount for FY2009 MRA account is \$350 million, including an unspecified level of Iraq aid.
- i. Total House and Senate bill FY2009 amount for IDA account is \$200 million.
- j. Total House amount for FY2008 MRA account is \$300 million, including an unspecified level of Iraq aid. Total Senate draft amount for MRA account is \$330.5 million, including an unspecified level of Iraq aid.

## Afghanistan Reconstruction Assistance<sup>23</sup>

**Background.** Afghanistan's political transition was completed with the convening of a parliament in December 2005, but in 2006 insurgent threats to Afghanistan's government escalated to the point that some experts began questioning the success of U.S. stabilization efforts. In the political process, a new constitution was adopted in January 2004, successful presidential elections were held on October 9, 2004, and parliamentary elections took place on September 18, 2005. The parliament has become an arena for factions that have fought each other for nearly three decades to debate and peacefully resolve differences. Afghan citizens have started to enjoy new personal freedoms, particularly in the northern and western regions of the country, that were forbidden under the Taliban. Women are beginning to participate in economic and political life, including as ministers, provincial governors, and senior levels of the new parliament. The next elections are planned for 2009.

The insurgency, led by remnants of the former Taliban regime, escalated in 2006, after several years in which it appeared the Taliban was mostly defeated. U.S. and NATO military commanders have had recent successes in counter-insurgency operations, but the Taliban continues to present a considerable threat to peace and security in parts of Afghanistan. Slow reconstruction, corruption, and the failure to extend Afghan government authority into rural areas and provinces, particularly in the south and east, have contributed to the Taliban resurgence. Political leadership in the more stable northern part of the country have registered concerns about distribution of reconstruction funding. In addition, narcotics trafficking is resisting counter-measures, and independent militias remain throughout the country, although many have been disarmed. The Afghan government and U.S. officials have said that some Taliban commanders are operating across the border from Pakistan, putting them outside the reach of U.S./NATO forces in Afghanistan. In 2007, the Administration unveiled the Reconstruction Opportunity Zones (ROZ) in Afghanistan and the border regions with Pakistan, an initiative to stimulate economic activity in underdeveloped, isolated regions.

The United States and partner stabilization measures focus on strengthening the central government and its security forces and on promoting reconstruction while combating the renewed insurgent challenge. As part of this effort, the international community has been running PRTs to secure reconstruction. Despite these efforts, weak provincial governance is seen as a key obstacle to a democratic Afghanistan and continues to pose a threat to reconstruction and stabilization efforts.

**The FY2009 Regular and Supplemental Request.** On May 2, 2008, the Administration issued an amendment to the regular FY2009. The regular FY2009 Administration request for Afghanistan totals \$1.054 billion. The recent amendment to that would provide supplemental funding for Afghanistan totaling \$924.9 million, including \$749.9 million for ESF and \$175 million for INCLE.

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<sup>23</sup> Prepared by Rhoda Margesson, Specialist in International Humanitarian Policy and Kenneth Katzman, Specialist in Middle Eastern Affairs.

**The FY2008 Original and Amended Emergency Supplemental Request.** The Administration requested \$339 million in ESF for Afghanistan reconstruction assistance in the FY2008 emergency supplemental in February 2007. Other parts of the supplement request for Afghanistan included increases in embassy operations and security. The Administration amended the FY2008 supplemental request in October 2007 for a total request of \$839 million for reconstruction, which included several provisions intended to continue U.S. efforts to stabilize Afghanistan and continue economic reconstruction efforts.<sup>24</sup>

The FY2008 consolidated appropriations act funded most government operations for which regular FY2008 appropriations bills — 11 in all — had not been enacted. Although emergency funds for military operations in Afghanistan were appropriated as part of the bridge supplemental in the consolidated appropriations act (\$1.753 million), the supplemental request of \$839 for reconstruction was not appropriated.

Key elements of the FY2008 emergency supplemental requests include funding for the ESF. In addition to the \$339 million for ESF in the initial supplemental request, the amended supplemental included additional funding for democratic governance and reconstruction efforts to continue security and development strategy that would be allocated as follows:

- \$275 million to strengthen provincial governance and responsiveness to the Afghan people. Funding would support a wide range of programs, preparation activities for the 2009 election and ongoing programs, such as the National Solidarity Program (\$40 million), the Afghanistan Reconstruction Fund (\$25 million), and the Provincial Governance Fund (\$50 million);
- \$50 million as part of an effort to invest in basic social services, such as health and education, particularly in rural areas; and
- \$170 million for economic growth and infrastructure, including the development of power sector projects (\$115 million); road projects (\$50 million) focused on those segments that are of strategic military importance and provide key connections between the central and provincial government capitals; and funding to support Reconstruction Opportunity Zones (\$5 million) in designated economically isolated areas and to create employment alternatives.

In addition to ESF funding, the request includes:

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<sup>24</sup> Funding figures obtained from the *FY2008 Revised Emergency Proposal* dated October 22, 2007; the proposed *Budget for Fiscal Year 2008* (“*Additional 2007 and 2008 Proposals*”) submitted in February 2007; and the *Supplemental Appropriations Justification Fiscal Year 2008* prepared by the Department of State and USAID.

- \$5 million in Non-proliferation, Anti-terrorism, Demining and Related Programs (NADR) to support the Afghan leadership through the Presidential Protection Service.

## **Congressional Action**

Both the House and Senate bills provide \$76.7 million for the Embassy, Construction, and Maintenance account in Afghanistan. In addition, both provide up to \$5,000,000 to be transferred to the Special Inspector General for Afghanistan Reconstruction for reconstruction oversight. The House and Senate bills provide an additional amount of \$41.3 million for Embassy Security, Construction, and Maintenance shall become available on October 1, 2008 and remain available for facilities in Afghanistan. The Senate bill provides \$57 million for the same purpose and time line, provided that \$36.5 million gets transferred to the Special Inspector General for Iraq Reconstruction for oversight and \$5 million gets transferred to Afghanistan Reconstruction also for oversight..

The House and Senate bills also provide assistance for women and girls with ESF funds to directly improve the economic, social and political status of Afghan women and girls, for Afghan education programs, and at least \$2 million for civilian assistance through U.S. contributions to NATO.

For FY2009 both House and Senate provide not more than \$455,000,000 for ESF assistance for Afghanistan. This is less than half of what was requested for the FY2009 supplemental.

**Table 7. Afghanistan Reconstruction Assistance, FY2008**  
(millions of U.S. dollars)

Activity (appropriation account)	Total FY2008 Supp Request	Final Supp H.R. 2764 PL110-161	Pending FY2008 Supp Request	FY2008 Supp House- passed HR2642	FY2008 Supp Senate- passed HR2642	FY2009 Supp Request	FY2009 Supp House- passed HR2642	FY2009 Supp Senate- passed HR2642	FY2009 Regular Request
Infrastructure aid (ESF)	834.0	—	834.0	859.0	899.0	749.9	455.0	455.0	707.0
Nonproliferation (NADR)	5.0	—	5.0	5.0	5.0	—	—	—	31.6
Int'l Narcotics Control (INCLE)				65.0	—	175.0	—	—	250.0
<b>Total</b>	<b>839.0</b>	<b>—</b>	<b>839.0</b>	<b>929.0</b>	<b>904.0</b>	<b>0.9</b>	<b>455.0</b>	<b>455.0</b>	<b>1,054.0</b>

**Source:** FY2008-FY2009 budget materials.

**Notes:** Data in this table reflect ongoing and FY2008 proposed funding for programs the same as or similar to those requested in the FY2007 supplemental. The **total** line does not represent total aid or mission operations for Afghanistan. Excluded from this table is proposed funding requested for FBI operations in Afghanistan.

\*includes other accounts for which supplemental funds were not requested.

**Acronyms:** ESF-Economic Support Fund, NADR-Nonproliferation, Anti-terrorism, Demining, and Related Programs, and INCLE-International Narcotics Control and Law Enforcement.



## Pakistan<sup>25</sup>

The Federally Administered Tribal Areas (FATA) of Pakistan are considered strategically important to combating terrorism, while continued terrorist and militant activities in the frontier region remain a threat to the United States and its interests in Afghanistan. The Government of Pakistan has developed a FATA Sustainable Development Plan to be implemented over 10 years. In support of this plan, the State Department and the U.S. Agency for International Development have put forward a five-year \$750 million development assistance strategy for the frontier region (a pledge of \$150 million per year) that complements the Government of Pakistan's plan.<sup>26</sup> The U.S. objectives are to improve economic and social conditions in the FATA in order to address the region's use by terrorists and militants. Programs would include governance, health and education services, and economic development, such as agricultural productivity, infrastructure rehabilitation, credit, and vocational training.

On November 3, 2007, President Musharraf imposed emergency rule and suspended Pakistan's constitution. In light of these events, the Administration announced a review of U.S. assistance. However, no action was taken in 2007 and in February 2008, Pakistan held what was reported to be a reasonably credible national election that seated a new civilian government. On April 9, 2008, Secretary of State Condoleezza Rice determined that a democratically elected government had taken office in Pakistan on March 25, 2008, which permitted the removal of coup-related sanctions on Pakistan and the resumption of assistance.

**The FY2009 Regular and Supplemental Request.** The Administration is seeking \$826.3 million for Pakistan in its regular FY2009 budget request. On May 2, 2008, the Administration requested FY2009 supplemental funds for Pakistan totaling \$170.0 million, including \$50 million for INCLE and \$150 million for FMF.

**The FY2008 Original and Amended Supplemental Request.** The Administration did not request funding for Pakistan in its original FY2008 emergency supplemental request in February 2007. In the FY2008 regular budget, the President asked for \$90 million for the frontier region development plan, which left a gap of \$60 million in the overall U.S. pledge of \$150 million. The FY2008 amended supplemental request for \$60 million for ESF would address this funding gap and meet the full pledge as follows: Investment in governance and planning (\$13 million); health and education programs (\$15 million); and local economic development (\$32 million). The \$60 million emergency supplemental request is in addition to the regular appropriations from various accounts in the FY2008 budget.

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<sup>25</sup> Prepared by Rhoda Margesson, Specialist in International Humanitarian Policy.

<sup>26</sup> For more detail on Pakistan, see CRS Report RL33498, *Pakistan-U.S. Relations* by K. Alan Kronstadt.

## Congressional Action

The House bill provides no FY2008 supplemental funding for Pakistan while the Senate bill provides the requested amount of \$60 million for ESF. For the FY2009 supplemental, the House bill provides \$175 million of ESF money, \$5 million more than the total requested, while the Senate provides \$150 million for Pakistan in ESF assistance, or \$20 million less than the total requested amount.

## Sudan<sup>27</sup>

For the FY2009 regular request, the Administration is asking for a total of \$332.6 million for Sudan. Some FY2009 supplemental funding for Sudan would include funds for diplomatic security, as well as USAID operation in Sudan.

No funding was requested for Sudan in the original FY2008 emergency supplemental in February 2007. The Administration sought a total of \$868.6 million in the amended emergency supplemental for Sudan, most of which was for humanitarian and peacekeeping support in the Darfur region. Under the consolidated appropriations act, Sudan received \$334.8 million in the regular FY2008 budget and also \$468 for the African Union/United Nations Hybrid Operation in Darfur (UNAMID) peacekeeping mission.

**FY2008 Additional Emergency Supplemental Request.** Major elements of the FY2008 amended emergency supplemental included the following:

- A \$70 million request in ESF for Sudan to support upcoming national elections that are to take place before July 2009, as determined in the 2005 Comprehensive Peace Agreement between north and south Sudan. The assistance will focus on strengthening political parties, drafting the electoral law, supporting an electoral commission, promoting civic education, and supporting election-related institutions and processes. The United Nations estimates that the elections could cost nearly \$400 million because of the logistical hurdles in conducting elections in a post-conflict environment. \$70 million remains in the pending FY2008 emergency supplemental; and
- \$723.6 million in support of the African Union/United Nations Hybrid Operation in Darfur (UNAMID) in the amended FY2008 supplemental. In the consolidated appropriations act, \$468 million was appropriated; \$333.6 remains in the pending FY2008 emergency supplemental.

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<sup>27</sup> Prepared by Rhoda Margesson, Specialist in International Humanitarian Policy.

## **Congressional Action**

For UNAMID, the House and the Senate provide \$333.6 million within the State Department's U.S. Contributions to International Peacekeeping (CIPA) account. Both the House and Senate bills provide \$45 million for ESF assistance to Sudan for the FY2008 supplemental, less than the Administration's requested amount of \$70 million. For the FY2009 supplemental, the Administration did not make a request. Nevertheless, both House and Senate bills provide \$25 million for ESF.

**Table 6. Sudan Emergency Supplemental, FY2008**

(millions of U.S. dollars)

Activity (appropriation account)	FY2008 Supp. Request Total	Final Supp. H.R. 2764 PL110-161	Pending FY2008 Supp. Request	FY2008 Supp House- passed HR2642	FY2008 Supp Senate- passed HR2642	FY2009 Supp. Request	FY2009 Supp House- passed HR2642	FY2009 Supp Senate- passed HR2642	FY2009 Regular Request
UNAMID (CIPA <sup>a</sup> )	723.6	468.0	333.6	333.6	333.6	—	—	—	—
Economic Support Fund (ESF)	70.0	—	70.0	45.0	45.0	—	25.0	25.0	254.1
<b>Total</b>	<b>\$868.6</b>		<b>\$403.6</b>	<b>\$378.6</b>	<b>\$378.6</b>	—	<b>\$25.0</b>	<b>\$25.0</b>	<b>\$332.6<sup>b</sup></b>

**Source:** FY2008- FY2009 budget materials.

**Note:** The **Total** line does not represent total aid or mission operations for Sudan.

- a. CIPA-Contributions to International Peacekeeping Activities
- b. Includes accounts for which supplementals were not requested.

## Other Humanitarian Assistance<sup>28</sup>

Although proposed aid packages for specific countries anticipate and identify some humanitarian needs, the Administration also seeks funding for what it describes as unmet or unforeseen humanitarian needs, including \$350 million in additional P.L. 480 - Title II assistance to meet emergency food needs in the Darfur region of Sudan and eastern Chad and elsewhere worldwide, including places such as southern Africa, and the Horn of Africa and Kenya.

In addition, the Administration's original request asked for \$230 million for Migration and Refugee Assistance (MRA) for anticipated and unanticipated refugee and migration emergencies, of which \$195 million was requested for humanitarian assistance to Iraqi refugees. This was an increase of \$160 million for Iraqi refugees; \$35 million was requested in the earlier version of the FY2008 emergency supplemental request. In addition, \$35 million was requested for the emergency needs of Palestinian refugees in Gaza and West Bank, and for Palestinian refugee camps in Lebanon. \$200 million was appropriated for MRA in the consolidated appropriations act, of which \$195 was allocated for Iraqi refugees. \$30 million (of the original \$230 million request) remains as part of the pending FY2008 supplemental request for assistance to Iraqi refugees.

For the FY2008 supplemental, the House bill provides \$300 million and the Senate bill provides \$330.5 million for MRA support. In addition, the House bill provides \$25 million for Emergency Migration Assistance (ERMA) while the Senate bill provides \$36.6 million in the FY2008 supplemental. Both House and Senate passed \$350 million for FY2009 supplemental MRA funds, nearly 50% more than requested, but no additional FY2009 funds for ERMA.

## Other International Affairs Programs

Several other elements of the international affairs request also remain to be resolved. In its October 2007 supplemental budget amendment, the Administration included \$550 million for the Mérida Initiative, a multi-year plan for U.S. counterdrug and anticrime assistance to Mexico and Central America. The initiative is aimed at helping the Mexican and Central American governments combat drug trafficking, gangs, and other criminal organizations. Of the \$550 million in proposed supplemental assistance, Mexico would receive \$500 million and Central America would receive \$50 million.<sup>29</sup> The October 2007 budget amendment also included a new request for \$220 million for economic assistance in the West Bank and Gaza.

The October amendment included, as well, \$350 million for P.L. 480 international food assistance. In April, Senators Durbin and Casey proposed adding

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<sup>28</sup> Prepared by Rhoda Margesson, Specialist in International Humanitarian Policy.

<sup>29</sup> See CRS Report RS22837, *Merida Initiative: Proposed U.S. Anticrime and Counterdrug Assistance for Mexico and Central America*, by Colleen W. Cook, Rebecca G. Rush, Clare Ribando Seelke.

\$200 million in response to recent global increases in food prices.<sup>30</sup> On May 1, the President announced a new request for \$770 million in FY2009 emergency supplemental funding for food-related international aid, including

- \$395 million for P.L. 480 Title II emergency food assistance;
- \$225 million for U.S. Agency for International Development (USAID) disaster relief accounts, mainly for Africa, for local and regional procurement of food abroad and for other humanitarian needs created by high food prices;
- \$150 million for USAID development assistance accounts for food security and improved production in insecure countries.<sup>31</sup>

## Congressional Action

For the FY2008 supplemental, the House bill provides \$296.5 million for Mexico, most (\$210 million) of which is for combating drugs and crime within the International Narcotics and Law Enforcement (INCLE) program. The Senate bill provides \$350 million for that account. The House bill also provides \$103.5 million for Mexico, (\$53 million for INCLE) in the FY2009 supplemental, while the Senate bill provides no additional funds for Mexico in the FY2009 supplemental.

The House and Senate provide more than requested for Central America. For the FY2008 supplemental, the House bill sets the total at \$56.5 million, while the Senate sets a total at \$90 million for Central America. Neither House nor Senate bill provides Central America assistance in the FY2009 supplemental.

For P.L. 480, both the House and Senate provide more than double (\$850 million) the amount requested (\$350 million) by the Administration for the FY2008 supplemental. For the FY2009 supplemental, the House and Senate bills agree on providing \$395 million for P.L. 480 and another \$200 for other food security assistance.

## Domestic Programs

In addition to funding for defense and international affairs, the Administration requested a limited amount of fund for domestic programs, including counter-terrorism-related programs of the Justice Department particularly the FBI and, along with the FY2009 budget request, a request for emergency FY2009 appropriations of

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<sup>30</sup> Ben Schneider and Christian Bourge, “Durbin Eyes Additional Food Aid, Seeks Assist From Rice,” *National Journal Congress Daily AM*, April 29, 2008.

<sup>31</sup> White House Office of Management and Budget, “Estimate #2 — FY2009 Emergency Budget Amendments: Operation Iraqi Freedom, Operation Enduring Freedom, and Selected Other International Activities,” May 2, 2008, available online at [[http://www.whitehouse.gov/omb/budget/amendments/amendment\\_5\\_2\\_08.pdf](http://www.whitehouse.gov/omb/budget/amendments/amendment_5_2_08.pdf)].

\$5.8 billion for Gulf Coast hurricane protection measures carried out by the Corps of Engineers. Individual agencies, including the Census Bureau, the Federal Prison System, and the U.S. Marshals office, also reported shortfalls in funds to the appropriations committees.

The House and Senate supplemental bills both provide requested funding for these programs. In addition, the Senate bill adds \$4.6 billion for hurricane and other disaster relief programs.

Both the House and the Senate approved three major measures that the Administration did not request. The are

- an expansion of veterans' educational benefits at an estimated total cost of \$52 billion over the next ten years, of which the House and Senate bills appropriate \$40 million in FY2008 and the House \$676 million and the Senate \$677 million in FY2009;
- extended unemployment benefits, estimated to cost a total of about \$11 billion over ten years, net of reduced payments in future years, for which the House and Senate supplemental bills appropriate \$15.6 billion, including \$6.2 billion in FY2008 and \$9.4 billion in FY2009; and
- a moratorium on new Medicaid rules that would reduce payments to the states, for which the House and Senate supplemental bills include \$450 million in FY2008 and \$1.15 billion in FY2009. The Senate bill also provides \$80 million in FY2008 and \$75 million in FY2009 for increases in the SCHIP children's health insurance program net of offsetting savings from limiting Medicare payments to new specialty hospitals.

The following sections provide background on some of the major congressional additions.

## **Expansion of Montgomery GI Bill Education Benefits<sup>32</sup>**

Both the House- and Senate-passed bills include provisions that would enhance veterans' educational benefits.<sup>33</sup> The benefit enhancements appear to be based on the Post-9/11 Veterans Educational Assistance Act of 2008 (S. 22), sponsored by Senator Webb, which has broad bipartisan support, with 56 co-sponsors in the Senate; and

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<sup>32</sup> Prepared by Shannon Loane, Knowledge Services Group, Domestic Social Policy Consulting Section.

<sup>33</sup> For information on the current Montgomery GI Bill provisions, see CRS Report RL33281, *Montgomery GI Bill Education Benefits: Analysis of College Prices and Federal Student Aid Under the Higher Education Act*, by Charmaine Mercer.

the House companion bill, H.R. 5740, sponsored by Representative Mitchell, which has 261 cosponsors.<sup>34</sup>

S. 22 and H.R. 5740 would offer 36 months of tuition (limited to in-state tuition charged at the most expensive public institution in the state in which the veteran is enrolled), a monthly stipend to cover living expenses (based on average housing prices in the area in which the veteran is enrolled), and a \$1,000 annual stipend for books and required educational expenses. Provisions for funds for tutorial assistance, licensing, and certification tests are also included. The bills would apply to active duty, Reserve, and National Guard members who serve some period of active duty beginning on or after September 11, 2001. Servicemembers and veterans who serve 36 months on active duty would be eligible for full benefits. Individuals who serve less than 36 months on active duty would be eligible for benefits calculated as a percentage of the total maximum benefits.

The bills also establish a new program under which the government would match dollar for dollar (up to 50% of the tuition difference) any voluntary additional contributions to veterans from institutions whose tuition is more expensive than the maximum educational assistance provided under the bills.

Differing views on the pros and cons of S. 22 were offered at a hearing before the Senate Committee on Veterans' Affairs on May 9, 2007. Senator Webb argued that S. 22 was comparable to the post-World War II GI bill, would lead to similar economic growth and expansion, and would also have a positive effect on military recruitment and on the readjustment experience of veterans.<sup>35</sup> In the same hearing, Daniel Cooper, the Department of Veterans' Affairs (VA) Under Secretary for Benefits, stated the VA's opposition, criticizing the bill's complexity, cost, and administrative burden. He also argued that it might lead to lower rates of reenlistment in the military services.<sup>36</sup>

**The Graham alternative.** An alternative to S. 22 and H.R. 5740 was proposed by Senator Graham on April 29, 2008. S. 2938, the Enhancement of Recruitment, Retention, and Readjustment Through Education Act of 2008, proposes increases in GI Bill educational benefits for servicemembers and veterans. For individuals with 12 or more years of active duty service, the benefits would be \$1,650 per month in FY2009, in addition to a \$500 annual stipend for books and supplies (for those attending on at least a half-time basis). As under the current Montgomery GI Bill (MGIB), servicemembers would have accept a pay reduction of \$100 per month for the first 12 months of pay, the benefits would be for 36 months and would have to be used within 10 years of discharge or release from active duty, and

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<sup>34</sup> See Josh Rogin, "Spending Add-ons Could Make for Largest War Supplemental Bill Yet." *CQ Today*, April 18, 2008

<sup>35</sup> Prepared Statement of Hon. Jim Webb, U.S. Senator from Virginia, Committee on Veterans' Affairs Hearing Regarding Pending Veterans' Benefits Legislation, May 9, 2007 (pp. 6-7)

<sup>36</sup> Prepared Statement of Hon. Daniel L. Cooper, Under Secretary for Benefits, Department of Veterans Affairs, Committee on Veterans' Affairs Hearing Regarding Pending Veterans' Benefits Legislation, May 9, 2007 (p. 24)



provisions for tutorial assistance and licensing and certification tests are included. In addition, active duty servicemembers would be able to use up to \$6,000 per year of educational benefits to repay federal student loans, and eligibility would be extended to certain individuals not currently eligible for MGIB, including service academy graduates and Senior Reserve Officers' Training Corps officers (under some conditions and with some stipulations).

The bill also proposes a matching grants program, the 'College Patriots Grant Program,' in which up to an additional \$3,000 per year could be paid by the Department of Veterans Affairs in return for schools, through the use of institutional or other non-federal aid, making a matching reduction in cost of attendance for a servicemember.

Additionally, S. 2938 includes a transferability of benefits provision. Servicemembers would be allowed to transfer up to half of their education benefits to dependents after six years of service and to transfer all of their education benefits after 12 years of service. Currently, the different service branches are authorized to operate limited transferability programs, but only the Army offers one at this time. The Army's program allows servicemembers in designated critical skills areas with at least six years of service who re-enlist for at least four years to transfer up to 18 months, or half, of their educational benefits to dependents. President Bush proposed expanding the transferability of veterans' educational benefits to dependents in his State of the Union address and repeated it in his May 8 address commemorating Military Spouse Day.<sup>37</sup>

**PAYGO, military retention, and transferability issues.** The GI bill enhancements appear to have become a major issue, potentially holding up action on the whole supplemental. In the House, members of the Democratic “Blue Dog” caucus initially warned that they would not support a rule on the bill because the cost – estimated at \$52 billion over ten years – is not offset. At the beginning of the 110<sup>th</sup> Congress, the new Democratic majority agreed to changes in House rules to require that increases in mandatory spending or cuts in revenues be paid for either by cuts in other mandatory programs or by increases in revenues. These requirements, which are based on provisions initially included in the Budget Enforcement Act of 1990, are known as “pay as you go” or PAYGO rules. The House leadership subsequently agreed to support an income tax surcharge as an offset to the costs of the bill. It is not clear, however, whether the Senate will approve offsets and whether, in the absence of offsets, a conference agreement can be sustained.

In addition, the Defense Department has consistently been critical of the Webb and Mitchell bill because of concern that it might weaken retention of military personnel. Because the bill would provide full benefits to servicemembers after 36

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<sup>37</sup> The FY2002 national defense authorization act provided the Defense Department with authority to allow transfers of current educational benefits to family members, and the provision has been tested in an Army pilot project, with, it appears, a relatively low use of the authority by military personnel. For a discussion, see Bart Jansen, Josh Rogin and Kathleen Hunter, “GOP Slips McCain's GI Bill Alternative into Play on Senate Floor,” *CQ Today Online*, May 14, 2008.

months of service, DOD officials fear the bill will encourage personnel to leave for college rather than to reenlist in the military. Secretary of Defense Gates raised these issues in an April 29 letter to Senator Levin and in a Pentagon press conference on May 8, at which Chairman of the Joint Chiefs, Admiral Michael Mullen, echoed his concerns.<sup>38</sup>

In the May 8 press conference, Secretary Gates and Admiral Mullen both emphasized their preference, as well, for a bill that would permit servicemembers to transfer educational benefits to family members. On May 6, President Bush announced that he was sending legislation to Congress to permit benefit transfers as well.<sup>39</sup>

## **Hurricane Katrina Repairs and Coastal Louisiana Restoration**

The Administration included in its FY2009 budget, a request for \$5.761 billion in emergency supplemental funds for the Army Corps of Engineers for hurricane protection programs on the Gulf Coast. The Corps is responsible for much of the repair and fortification of the hurricane protection system of coastal Louisiana, particularly in the greater New Orleans area. Since Hurricane Katrina, most of the Corps' work on the region's hurricane protection system has been funded through emergency supplemental appropriations, not through the annual appropriations process. Congress has provided about \$7 billion in emergency funding to date.

The Administration estimates that the \$7 billion in previously appropriated funds are insufficient to complete required measures because of increased costs, improved data on costs, and other factors. The Corps anticipates that available funds will be used by the end of FY2008, but that much remaining work is required to reduce the hurricane flooding risk to the New Orleans area to a 100-year level of protection (i.e., 1% probability of flooding in any given year) and to restore and complete hurricane protection in surrounding areas to previously authorized levels of protection by 2011.<sup>40</sup>

**Congressional action.** The House and Senate differ significantly on emergency funding for hurricane related programs. Both bills provide \$5.761 billion in emergency FY2009 funding for the Corps of Engineers, as the Administration requested. The Senate-passed bill provides an additional \$4.6 billion in net additional funding for hurricane and other natural disaster-related programs. Senate additions include \$3.0 billion more than requested for the Corps of Engineers, \$500 million for wildland fire fighting, \$451 million for the Emergency Highway Relief program, \$350 million for emergency Medicare and Medicaid services, and \$146

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<sup>38</sup> Secretary of Defense Robert M. Gates and Chairman of the Joint Chiefs of Staff Navy Adm. Mike Mullen, "DoD Press Briefing," May 8, 2008, on line at: [<http://www.defenselink.mil/transcripts/transcript.aspx?transcriptid=4225>].

<sup>39</sup> President George W. Bush, "President Bush Commemorates Military Spouse Day," The White House, May 6, 2008.

<sup>40</sup> See CRS Report RL34417, *Energy and Water Development: FY2009 Appropriations*, by Carl E. Behrens, Coordinator, Anthony Andrews, David M. Bearden, Nicole T. Carter, Mark Holt, Nic Lane, Daniel Morgan, and Fred Sissine

million, offset by rescissions, for housing programs and community development block grants.

## The Census and Other Domestic Issues

Several other, smaller domestic programs may also receive funding in the pending supplemental.

**Decennial Census.** As a result of newly discovered difficulties with equipment planned to be used in various aspects of the 2010 Decennial Census, the Census Bureau is facing substantial shortfalls in funding for FY2008. At hearings, the Secretary of Commerce stated that the shortfall for FY2008 would be between \$160-\$230 million, which they proposed to pay for through intra-departmental transfers within the Department of Commerce. Both the House- and Senate-passed supplemental bills provide \$210 million in emergency FY2008 supplemental appropriations for the Bureau of the Census.<sup>41</sup>

## Other Senate Additions of Funding for Domestic Programs

By a vote of 70-26, the Senate approved, by a veto-proof majority, an amendment to the supplemental bill that included additional increases in domestic programs beyond those requested by the Administration and included in the House bill. As noted, the largest increase is \$4.6 billion in additional disaster relief funding. Other significant Senate additions of funds include

- a \$1.2 billion science initiative that provides \$200 million for the NASA return to flight program, \$200 million for the National Science Foundation, \$400 million for Department of Energy defense and non-defense cleanup and science programs, and \$400 million for the National Institutes of Health,
- \$1 billion for the Low-Income Heating Emergency Assistance Program (LIHEAP);
- \$590 million for state and local law enforcement assistance grants;
- \$400 million for the Secure Rural Schools homeland security program; and
- \$275 million to bolster Food and Drug Administration public health and safety enforcement.

In all, the House bill provides \$24.5 billion for domestic programs, of which \$15.6 billion is for extended unemployment compensation benefits, and the Senate bill provides \$33.1 billion, of which \$15.6 billion also is for unemployment compensation. In all, the Senate bill provides \$9.1 billion more than the House bill for domestic programs, of which \$4.6 billion is for disaster-related programs.

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<sup>41</sup> Prepared by Royce Crocker, Government and Finance Division.

## Appendix A: Status of FY2008 Supplemental Funding Through December 2007

### Status of FY2008 Supplemental Funding

During the first session of the 110<sup>th</sup> Congress, which ended on December 31, 2007, the Administration requested \$196.5 billion in emergency supplemental appropriations for Fiscal Year (FY) 2008, including \$189.3 billion for military operations, \$6.9 billion for international affairs, and \$325 million for other purposes. Through the end of December, Congress had approved \$86.8 billion of the total requested for defense and \$2.4 billion for international affairs, of which the State Department calculates that \$1.5 billion was for requested programs. Of the President's total emergency request, \$102.5 billion for defense and \$5.4 billion for international affairs remain outstanding.

For defense, much of the remaining requested funding is to repair, replace, and upgrade weapons and other equipment used in the war. For foreign operations, remaining funding includes additional sums for reconstruction assistance to Iraq and Afghanistan and for a major new counter-narcotics initiative in Mexico and Central America. For State Department operations, outstanding requests include additional amounts for Diplomatic and Consular Program security upgrades and for Contributions to International Peacekeeping Activities in Darfur and elsewhere.

### Congressional Action on FY2008 Supplemental Appropriations Through December 2007

**Administration Requests.** Between February and October of 2007, the Administration submitted requests for FY2008 emergency supplemental appropriations in three blocks.

- Along with the regular FY2008 budget that the White House sent to Congress on February 5, 2007, the Administration requested \$141.7 billion in emergency supplemental funding for the Defense Department, \$3.3 billion for the State Department and international affairs, and \$325 million for other agencies. By submitting the defense request along with the President's FY2008 budget, the Administration complied with Section 1008 of the FY2007 national defense authorization act (P.L. 109-364), which required the President's budget to include a request for estimated full year costs of operations in Iraq and Afghanistan and a detailed justification of the funds. The request constituted a Defense Department estimate of the full year costs of continuing operations in Iraq and Afghanistan at about the same pace as in 2006. The Defense Department acknowledged, however, that the estimate was only a rough, straight-line projection of current costs. By the time the budget was submitted, the Administration was proposing a surge in troops to Iraq that was not reflected in the budget, and it was expected that the Administration would later provide revised cost projections. These were submitted in October.

- On July 31, 2007, the White House requested an additional \$5.3 billion for the Department of Defense to procure, outfit, and deploy 1,520 Mine Resistant Ambush Protected (MRAP) vehicles for the Army and Marine Corps.<sup>42</sup>
- On October 22, 2007, the President proposed an amendment to the FY2008 budget requesting an additional \$45.9 billion in emergency funding for military operations, economic and reconstruction assistance, embassy security, and other activities mainly related to ongoing conflicts in Iraq, Afghanistan, and elsewhere. The request included \$42.3 billion for the Department of Defense for military operations and \$3.6 billion for international affairs programs.<sup>43</sup>

In all, the Administration requested \$195.6 billion in emergency supplemental appropriations for FY2008, mainly for military operations in Iraq, Afghanistan and elsewhere and for related foreign affairs programs.

**Congressional Action.** Congressional action on FY2008 emergency supplemental funding began in earnest in September 2007 and was not completed until shortly before Christmas.

- At the end of September, Congress included \$5.2 billion in emergency funding for Mine Resistant Ambush Protected (MRAP) vehicles (\$5.3 billion was requested in July) in a provision attached to the first FY2008 continuing resolution, H.J.Res. 52, that the President signed on September 29, P.L. 110-92.
- On November 8, 2007, the House and Senate approved a conference agreement on the FY2008 defense appropriations bill, H.R. 3222,<sup>44</sup> and the President signed the bill into law, P.L. 110-116, on November 13. The measure provided \$460 billion for baseline Defense Department activities in FY2008, including \$27.4 billion for Army and \$4.8 billion for Marine Corps operation and maintenance, which may be used to finance both peacetime activities

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<sup>42</sup> White House Office of Management and Budget, "Estimate #5 — FY2008 Emergency Budget Amendments: Department of Defense (Global War on Terror — Mine Resistant Ambush Protected Vehicles)," July 31, 2007 online at [[http://www.whitehouse.gov/omb/budget/amendments/amendment\\_7\\_31\\_07.pdf](http://www.whitehouse.gov/omb/budget/amendments/amendment_7_31_07.pdf)].

<sup>43</sup> For the overall request see White House Office of Management and Budget, "FY2008 Emergency Budget Amendments: Operation Iraqi Freedom, Operation Enduring Freedom, and Selected Other International Activities," October 22, 2007, online at [[http://www.whitehouse.gov/omb/budget/amendments/amendment\\_10\\_22\\_07.pdf](http://www.whitehouse.gov/omb/budget/amendments/amendment_10_22_07.pdf)]. For an overview of the defense request, see Department of Defense, *FY2008 Global War on Terror Amendment*, October 2007, online at [[http://www.defenselink.mil/comptroller/defbudget/fy2008/Supplemental/FY2008\\_October\\_Global\\_War\\_On\\_Terror\\_Amendment.pdf](http://www.defenselink.mil/comptroller/defbudget/fy2008/Supplemental/FY2008_October_Global_War_On_Terror_Amendment.pdf)].

<sup>44</sup> See CRS Report RL33999, *Defense: FY2008 Authorization and Appropriations*, by Pat Towell, Stephen Daggett, and Amy Belasco.

and military operations abroad. The bill also provided an additional \$11.6 billion in emergency funding for MRAP vehicles. Except for the MRAP money, however, the bill did not include funding to cover additional costs associated with ongoing military operations in Iraq, Afghanistan, and elsewhere.

- On November 14, 2007, by a vote of 218-203, the House approved the “Orderly and Responsible Iraq Redeployment Appropriations Act, 2008,” H.R. 4156, providing \$50 billion for U.S. military operations in Iraq, Afghanistan, and elsewhere. The bill included enough money in Army and Marine Corps operating accounts to sustain military operations in Iraq and elsewhere through about April 2008. It also (1) required the President to commence the withdrawal of U.S. forces from Iraq within 30 days of enactment of the legislation and to provide within 60 days a plan for withdrawing most troops from Iraq by December 15, 2008; (2) limited the mission of remaining U.S. forces in Iraq to force protection, training, and pursuit of international terrorists; (3) prohibited deployment of units that are not fully trained and equipped; and (4) extended prohibitions on torture to all U.S. government agencies.
- On November 16, 2007, by a vote of 53-45, with 60 votes required, the Senate refused to close debate on a motion to proceed to consideration of H.R. 4156 as passed by the House, effectively killing the measure. The Senate also rejected, by a vote of 45-53, a motion to proceed to consideration of H.R. 2340, a substitute offered by Senator McConnell, to provide \$70 billion for the Defense Department without requiring withdrawal from Iraq. (Ultimately, however, with some revisions in the allocation of funds, the McConnell amendment was approved as part of the final consolidated appropriations act — see below.)
- Meanwhile, in a November 15, 2007, Pentagon press conference, Secretary of Defense Robert Gates warned that the Army and Marine Corps would have to begin implementing steps to limit operations unless Congress approved additional funding very soon.<sup>45</sup> Without additional money, he said, the Army would have to cease operations at all Army bases by mid-February 2008, which would require furloughs of about 100,000 government employees and a like number of contractor personnel. Plans would have to begin to be implemented in mid-December, he said. On November 20, the Defense Department announced that it was transferring \$4.5 billion to the Army and to the Joint IED Defeat Organization to extend their operations. The Army, DOD said, would only be able to operate

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<sup>45</sup> Department of Defense, “DoD News Briefing with Secretary of Defense Gates and Chairman of the Joint Chiefs of Staff Adm. Mullen from the Pentagon Briefing Room, Arlington, Va.,” November 15, 2007 at [<http://www.defenselink.mil/transcripts/transcript.aspx?transcriptid=4089>].

with available funds, including the transfer, until February 23, 2008. Senior defense officials continued to warn that the Army and Marine Corps would have to halt all but essential operations very soon unless Congress approved additional funding.

- On December 17, 2007, the House brought up the foreign operations appropriations bill, H.R. 2764, that had earlier been passed by the House and then amended by the Senate, as a vehicle for FY2008 “omnibus” or “consolidated” appropriations. The House approved two amendments to the Senate-passed bill. The first amendment, approved by a vote of 253-154, struck the Senate foreign operations language and inserted the text of conference agreements on 11 of the 12 FY2008 appropriations bills. In all, it provided \$485 billion in regular and emergency appropriations for programs covered by all of the regular, annual appropriations bills except for defense, for which appropriations had already been enacted. The second amendment, approved by a vote of 206-201, provided \$31 billion in emergency defense appropriations, mostly restricted to Operation Enduring Freedom (OEF), which encompasses operations in Afghanistan and elsewhere, excluding Iraq. Funding for Army and Marine Corps operation and maintenance was made available only for OEF, except for amounts for force protection that could be allocated to any area.
- On December 18, 2007, the Senate took up the House-passed consolidated appropriations bill and, by a vote of 70-25, adopted an amendment by Senator McConnell to delete the House-passed \$31 billion for OEF and to provide, instead, \$70 billion in emergency supplemental appropriations for the Department of Defense for overseas operations, without limits on where the money could be used and without requiring a withdrawal of forces from Iraq.
- On December 19, 2007, the House considered H.R. 2764 as amended by the Senate. By a vote of 272-142, the House approved a motion to agree to the Senate amendment to the House-passed bill, thus clearing the measure for the President. The President signed the bill into law, P.L. 110-161, on December 26.

## Remaining FY2008 and Additional FY2009 Defense Request

The Administration requested a total of \$189.3 billion in emergency FY2008 supplemental appropriations for the Department of Defense. Through December 2007, Congress had approved \$86.8 billion, which leaves \$102.5 billion still pending. Since December, the Defense Department has made some adjustments in its budget request. **Table 1** shows by title and account (1) total FY2008 supplemental funding requested for DOD through the October 22, 2007, budget amendment; (2) the amount Congress has approved to date; (3) adjustments to the remaining amounts that the Defense Department proposed — though not with a formal budget amendment — as of the end of March, 2008, and (4) the remaining adjusted DOD budget request.

In preparing a bill to provide remaining FY2008 defense funds, the congressional appropriations committees decided to add a “bridge fund” for FY2009 that would provide enough money to sustain both day-to-day peacetime activities and war-related operations until well into calendar year 2009. This would leave it to the next Administration to decide what it will request in total supplemental funding to cover war costs based on any planned changes in strategy. The committees discussed with the Defense Department how to allocate funds among accounts so as to sustain critical operations through about June of 2009.

On May 2, the Office of Management and Budget formally sent Congress a request for \$70 billion in FY2009 supplemental funding, of which \$66 billion was for defense and intelligence and \$4 billion was for international affairs. Along with the pending FY2008 supplemental request, **Table 1** shows the breakdown of the May 2 Administration request for a \$66 billion defense bridge fund. CRS calculates that a bridge fund of about \$57 billion, if allocated by account to maximize the amount of time critical operating accounts would last, could allow the services to operate through the end of July, 2009, at DOD’s planned monthly rates of obligations.<sup>46</sup>

**Table A-1. Remaining FY2008 and Additional FY2009 Supplemental Funding Requested for the Department of Defense**  
(amounts in millions of dollars)

	Original FY2008 Amended Request	FY2008 Enacted through Dec. 2007	Remaining FY2008 Request	FY2008 DOD Adjust- ment	Remaining Adjusted FY2008 Request	FY2009 Request
<b>Military Personnel</b>						
Military Personnel, Army	12,318	783	11,535	+329	11,864	3,500
Reserve Personnel, Army	299	—	299	+9	309	—
National Guard Personnel, Army	1,137	—	1,137	+420	1,557	—
Military Personnel, Navy	792	96	696	+6	702	95
Reserve Personnel, Navy	70	—	70	+3	73	—
Military Personnel, Marine Corps	1,790	56	1,734	+3	1,737	85
Reserve Personnel, Marine Corps	15	—	15	+1	17	—
Military Personnel, Air Force	1,416	138	1,278	+8	1,286	105
Reserve Personnel, Air Force	3	—	3	+4	7	—
National Guard Personnel, Army	—	—	—	—	—	20
National Guard Personnel, Air Force	—	—	—	+6	6	—
<b>Total Military Personnel</b>	<b>17,840</b>	<b>1,072</b>	<b>16,767</b>	<b>+789</b>	<b>17,556</b>	<b>3,805</b>
<b>Operation and Maintenance</b>						

<sup>46</sup> The largest requirement, by far, would be for Army Operation and Maintenance. If monthly obligations for Army O&M, both for peacetime and for war-related operations, average \$6.9 billion in FY2009, which is about the FY2008 rate, then the \$31 billion requested for Army O&M in the base defense budget for FY2009 would last until about the middle of February, 2009. An additional \$38 billion would be needed to sustain operations at the same rate through the end of July.



	Original FY2008 Amended Request	FY2008 Enacted through Dec. 2007	Remaining FY2008 Request	FY2008 DOD Adjust- ment	Remaining Adjusted FY2008 Request	FY2009 Request
O&M, Army	53,872	35,152	18,720	-1,577	17,143	35,560
O&M, Army Reserve	197	78	119	+38	157	—
O&M, Army National Guard	757	327	430	+383	813	—
O&M, Navy	6,163	3,664	2,499	+722	3,220	238
O&M, Marine Corps	4,272	3,966	306	+34	340	2,200
O&M, Navy Reserve	83	42	42	+66	108	—
O&M, Marine Corps Reserve	68	46	22	+1	23	34
O&M, Air Force	10,705	4,778	5,927	+830	6,758	3,644
O&M, Air Force Reserve	24	12	12	+150	162	—
O&M, Air National Guard	103	52	52	+234	285	—
O&M, Defense-Wide	5,337	2,117	3,220	+343	3,563	3,194
Office of the Inspector General	4	—	4	—	4	—
Drug Interdiction and Counter- Drug Activities, Defense	258	193	65	—	65	130
Afghanistan Security Forces Fund	2,700	1,350	1,350	—	1,350	3,666
Iraq Security Forces Fund	3,000	1,500	1,500	—	1,500	2,000
Iraq Freedom Fund	3,851	3,747	104	+70	174	—
Defense Health Program	1,137	576	562	+197	759	—
Medical Support Fund	—	—	—	—	—	400
<b>Total Operation and Maintenance</b>	<b>92,533</b>	<b>57,599</b>	<b>34,934</b>	<b>+1,490</b>	<b>36,424</b>	<b>51,066</b>
<b>Procurement</b>						
Aircraft Procurement, Army	2,125	944	1,182	+15	1,196	—
Missile Procurement, Army	642	—	642	-105	537	—
Procurement of W&TCV, Army	7,290	1,429	5,860	-289	5,571	—
Procurement of Ammunition, Army	514	154	360	—	360	—
Other Procurement, Army	23,131	2,028	21,103	-4,410	16,693	80
Joint Impr Explosive Dev Defeat Fund	4,269	4,269	—	-65	-65	2,970
Aircraft Procurement, Navy	3,908	49	3,860	+191	4,050	—
Weapons Procurement, Navy	318	—	318	—	318	—
Procurement of Ammo, Navy & MC	610	305	305	—	305	—
Other Procurement, Navy	1,607	91	1,515	—	1,515	—
Procurement, Marine Corps	3,148	703	2,444	—	2,444	—
Aircraft Procurement, Air Force	3,946	51	3,895	—	3,895	1,209
Missile Procurement, Air Force	2	—	2	—	2	—
Procurement of Ammunition, Air Force	104	—	104	—	104	—
Other Procurement, Air Force	2,461	31	2,430	—	2,430	1,468
Procurement, Defense-Wide	542	275	267	+8	275	73
Rapid Acquisition Fund	150	—	150	—	150	100
Mine Resistant Ambush Prot Veh Fund	16,830	16,830	—	—	—	2,610
<b>Total Procurement</b>	<b>71,597</b>	<b>27,159</b>	<b>44,438</b>	<b>-4,657</b>	<b>39,781</b>	<b>8,511</b>
<b>Research, Development, Test and Evaluation</b>						
RDT&E, Army	163	—	163	+48	211	—

	Original FY2008 Amended Request	FY2008 Enacted through Dec. 2007	Remaining FY2008 Request	FY2008 DOD Adjust- ment	Remaining Adjusted FY2008 Request	FY2009 Request
RDT&E, Navy	611	—	611	+21	632	113
RDT&E, AF	1,487	—	1,487	+62	1,549	72
RDT&E, DW	684	—	684	+260	945	194
<b>Total RDT&amp;E</b>	<b>2,946</b>	<b>—</b>	<b>2,946</b>	<b>+391</b>	<b>3,333</b>	<b>379</b>
<b>Military Construction</b>						
Military Construction, Army	1,441	—	1,441	+127	1,568	—
FY2005 BRAC - Army	—	—	—	+560	560	—
Military Construction, Navy	238	—	238	+95	332	—
FY2005 BRAC - Navy	—	—	—	+97	97	—
Military Construction, Air Force	305	—	305	+98	403	—
FY2005 BRAC - AF	—	—	—	+129	129	—
Military Construction, Defense- Wide	28	—	28	—	28	—
FY2005 BRAC - Defense Wide	416	—	416	—	416	—
<b>Total Military Construction</b>	<b>2,427</b>	<b>—</b>	<b>2,427</b>	<b>+1,107</b>	<b>3,534</b>	<b>—</b>
<b>Family Housing</b>						
Fam Housing Construction, Navy & Marine Corps	12	—	12	—	12	—
<b>Total Family Housing</b>	<b>12</b>	<b>—</b>	<b>12</b>	<b>—</b>	<b>12</b>	<b>—</b>
<b>Revolving and Management Funds</b>						
Working Capital Fund, Army	1,364	720	644	+6	651	—
Working Capital Fund, Navy	43	—	43	+229	272	—
Working Capital Fund, Air Force	237	—	237	+358	595	—
Working Capital Fund, Defense- Wide	313	280	33	+287	320	2,200
National Defense Sealift Fund	5	—	5	—	5	—
<b>Total Revolving &amp; Mngmnt Funds</b>	<b>1,963</b>	<b>1,000</b>	<b>963</b>	<b>+880</b>	<b>1,843</b>	<b>2,200</b>
<b>Other Non-DOD Intelligence</b>						
FBI Counter-terrorism	—	—	—	—	—	39
<b>Total Other Intelligence</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>39</b>
<b>Total Budget Authority</b>	<b>189,316</b>	<b>86,830</b>	<b>102,486</b>	<b>—</b>	<b>102,486</b>	<b>66,000</b>

**Source:** Department of Defense for FY2008 amounts, Office of Management and Budget, “FY2009 Emergency Budget Amendments: Operation Iraqi Freedom, Operation Enduring Freedom, and Selected Other International Activities,” May 2, 2008.

**Notes:** Further changes in request for Iraq Freedom Fund are pending. “BRAC” refers to Base Realignment and Closure.

## Appendix B: Request, House, and Senate Spring FY2008 and FY2009 Supplemental Appropriations: Detail by Appropriations Account

**Table B-1. Spring FY2008 and FY2009 Supplemental Appropriations:  
Request, House, and Senate Amounts by Account**  
(amounts in thousands of dollars)

	Request	House	Senate
<b>TITLE I: OTHER SECURITY, MILITARY CONSTRUCTION, AND INTERNATIONAL MATTERS</b>			
<b>CHAPTER 1</b>			
<b>DEPARTMENT OF AGRICULTURE, Foreign Agricultural Service</b>			
Public Law 480 Title II Grants (emergency)	350,000	850,000	850,000
Advance appropriation, FY2009 (emergency)	395,000	395,000	395,000
<b>CHAPTER 2</b>			
<b>DEPARTMENT OF JUSTICE</b>			
General Administration, Inspector General	—	4,000	4,000
<b>Legal Activities</b>			
General Legal Activities, Salaries and Expenses	4,093	1,648	1,648
United States Attorneys, Salaries and Expenses	5,000	5,000	5,000
United States Marshals Service, Salaries and Expenses	14,921	18,621	18,621
<b>Federal Bureau of Investigation</b>			
Salaries and expenses (emergency)	101,122	92,169	164,965
Advance appropriation, FY2009 (emergency)	39,062	82,600	82,600
<b>Drug Enforcement Administration, Salaries and Expenses</b>	8,468	12,166	22,666
<b>Bureau of Alcohol, Tobacco, Firearms and Explosives, Salaries and Expenses</b>	4,000	4,000	4,000
<b>Federal Prison System, Salaries and Expenses</b>	9,100	9,100	9,100
<b>CHAPTER 3</b>			
<b>DEPARTMENT OF DEFENSE</b>			
<b>Military Construction</b>			
Military construction, Army (emergency)	1,440,750	1,432,700	1,170,200
Military construction, Navy and Marine Corps (emergency)	237,505	423,357	300,084
Military construction, Air Force (emergency)	305,000	409,627	361,900
Military construction, Defense-Wide (emergency)	27,600	1,009,600	27,600
<b>Family Housing</b>			
Family housing construction, Navy and Marine Corps (emergency)	11,766	11,766	11,766
<b>Base realignment and closure account, 2005 (emergency)</b>	415,910	1,354,634	1,202,886
<b>DEPARTMENT OF VETERANS AFFAIRS</b>			
Departmental Administration	—	120,000	557,100
<b>DEPARTMENT OF DEFENSE</b>			
<b>General Provisions, Military Construction</b>			
Sec 1301 Child development centers, Army (emergency)	—	—	70,600
Sec 1302 Child development centers, Navy (emergency)	—	—	89,820
Sec 1303 Child development centers, Air Force (emergency)	—	—	8,100
Sec 1304 Barracks improvements (emergency)	—	—	200,000

	Request	House	Senate
<b>CHAPTER 4</b>			
<b>SUBCHAPTER A—SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR 2008</b>			
<b>DEPARTMENT OF STATE</b>			
<b>Administration of Foreign Affairs</b>			
Diplomatic and consular programs (emergency)	1,708,008	1,606,808	1,413,700
Office of Inspector General (emergency)	—	7,500	12,500
Educational and cultural exchange program (emergency)	—	—	10,000
Embassy security, construction, and maintenance (emergency)	160,000	76,700	76,700
<b>International Organizations</b>			
Contributions to international organizations (emergency)	53,000	53,000	66,000
Contributions for international peacekeeping activities, current year (emergency)	333,600	333,600	383,600
<b>RELATED AGENCY</b>			
<b>Broadcasting Board of Governors</b>			
International Broadcasting Operations (emergency)	—	—	3,000
<b>BILATERAL ECONOMIC ASSISTANCE</b>			
Funds Appropriated to the President			
International disaster assistance (emergency)	—	200,000	240,000
Operating expenses of the US Agency for International Development (emergency)	41,000	142,000	149,500
Operating expenses of the US Agency for International Development Office of Inspector General (emergency)	—	4,000	4,000
<b>Other Bilateral Economic Assistance</b>			
Economic support fund (emergency)	2,009,000	1,747,000	1,962,500
<b>Department of State</b>			
Democracy fund (emergency)	—	75,000	76,000
International narcotics control and law enforcement (emergency)	734,000	419,300	520,000
Migration and refugee assistance (emergency)	30,000	300,000	330,500
Emergency migration and refugee assistance (emergency)	—	25,000	36,608
Nonproliferation, anti-terrorism, demining and related programs (emergency)	—	11,200	10,000
<b>Military Assistance —</b>			
Funds Appropriated to the President	—	—	—
Foreign Military Financing Programs	—	72,500	—
Peacekeeping operations (emergency)	—	—	10,000
<b>General Provisions, Section 1407 /b/</b>			
World Food Program	—	20,000	—
Andean Counterdrug Initiative (rescission)	—	-20,000	—
International narcotics control and law enforcement (Sudan)	—	10,000	—
International narcotics control and law enforcement (rescission)	—	-10,000	—
<b>SUBCHAPTER B—BRIDGE FUND APPROPRIATIONS FOR FISCAL YEAR 2009</b>			
<b>DEPARTMENT OF STATE</b>			
<b>Administration of Foreign Affairs</b>			
Diplomatic and consular programs (emergency)	1,064,500	737,900	652,400
Office of Inspector General (emergency)	16,800	57,000	57,000
Embassy Security, construction and Maintenance (emergency)	—	41,300	41,300
<b>International Organizations</b>			
Contributions to international organizations (emergency)	40,000	75,000	75,000
Contributions for international peacekeeping activities, current year (emergency)	—	150,500	150,500

	Request	House	Senate
<b>RELATED AGENCY</b>			
<b>Broadcasting Board of Governors</b>			
International Broadcasting Operations (emergency)	—	8,000	6,000
<b>BILATERAL ECONOMIC ASSISTANCE</b>			
<b>Funds Appropriated to the President</b>			
Global Health and Child Survival (emergency)	—	75,000	75,000
Development Assistance (emergency)	210,000	200,000	200,000
International disaster assistance (emergency)	270,000	200,000	200,000
Operating expenses of the US Agency for International Development (emergency)	60,000	93,000	93,000
Operating expenses of the US Agency for International Development Office of Inspector General (emergency)	—	1,000	1,000
<b>Other Bilateral Economic Assistance</b>			
Economic support fund (emergency)	1,297,800	1,147,300	1,132,300
<b>Department of State</b>			
International narcotics control and law enforcement (emergency)	225,000	204,500	151,000
Migration and refugee assistance (emergency)	191,000	350,000	350,000
Nonproliferation, anti-terrorism, demining and related programs (emergency)	—	4,000	4,500
<b>MILITARY ASSISTANCE</b>			
<b>Funds Appropriated to the President</b>			
Foreign Military Financing program grants (emergency)	170,000	170,000	145,000
Peacekeeping operations (emergency)	60,000	85,000	85,000
<b>SUBCHAPTER C</b>			
<b>GENERAL PROVISIONS /c/</b>			
Sec 1410(a) Contribution to World Food Program	—	—	20,000
(Rescission)	—	—	-20,000
Sec 1410(b) Sudan	—	—	10,000
(Rescission)	—	—	-10,000
Sec 1410(c) Mexico IRRF (rescission of emergency appropriations)	—	—	-50,000
Sec 1410(d) Horn of Africa (emergency)	—	—	40,000
Rescission of emergency appropriations	—	—	-40,000
Sec 1412 Food Security and Cyclone relief	—	—	225,000
(Rescission)	—	—	-225,000
Sec 1414 Jordan	—	—	300,000
(Rescission)	—	—	-300,000
<b>Total, Title I</b>	<b>12,048,005</b>	<b>14,909,096</b>	<b>14,231,264</b>
Defense	2,438,531	4,641,684	3,442,956
International Affairs	9,423,708	9,918,608	9,918,608
Domestic	185,766	349,304	869,700
<b>TITLE II: DOMESTIC MATTERS</b>			
<b>CHAPTER 1</b>			
<b>DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			
Food and Drug Administration	—	—	275,000
<b>Chapter 2 (Senate)/Chapter 1 (House)</b>			
<b>DEPARTMENT OF COMMERCE</b>			
Bureau of the Census	—	210,000	210,000
<b>DEPARTMENT OF JUSTICE</b>			
United States Marshals Service, Salaries and Expenses	—	—	50,000
Federal Prison System, Salaries and Expenses	—	178,000	178,000

	Request	House	Senate
State and Local Law Enforcement Assistance (emergency)	—		590,000
<b>SCIENCE</b>			
NASA, Return to Flight (emergency)	—	—	200,000
National Science Foundation	—	—	200,000
<b>Chapter 3</b>			
<b>DEPARTMENT OF ENERGY</b>			
Non-Defense Energy Programs, Cleanup and Science	—	—	157,000
Defense Environmental Cleanup	—	—	243,000
<b>Chapter 4</b>			
General Provision, Small Business Administration	—	—	600
<b>Chapter 5</b>			
<b>DEPARTMENT OF THE INTERIOR, Secure Rural Schools</b>	—	—	400,000
<b>Chapter 6 (Senate)/Chapter 3 (House)</b>			
<b>DEPARTMENT OF LABOR, State Unemployment Insurance</b>	—	110,000	110,000
<b>DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			
Centers for Disease Control, Research and Training	—	—	26,000
National Institutes of Health	—	—	400,000
General Provisions, Low-Income Energy Assistance (LIHEAP)	—	—	1,000,000
<b>Chapter 4 (House)</b>			
House of Representatives, Payments to Widows and Heirs	—	169	—
<b>Chapter 7</b>			
American Battle Monuments Commission, Foreign Currency Account	—	—	10,000
<b>Total, Title II</b>	—	<b>498,169</b>	<b>4,049,600</b>
Defense	—	—	243,000
International Affairs	—	—	—
Domestic	—	498,169	3,806,600
<b>TITLE III: HURRICANES KATRINA AND RITA, AND OTHER NATURAL DISASTERS</b>			
<b>Chapter 1</b>			
<b>DEPARTMENT OF AGRICULTURE</b>			
Emergency Conservation Program (emergency)	—	—	49,413
Emergency Watershed Protection Program (emergency)	—	—	130,464
Sec 3101 RUS/Rural Electric and Telecommunication Loans (emergency)	—	—	1,000
(Rescission of emergency appropriations)	—	—	-1,000
<b>Chapter 2</b>			
<b>DEPARTMENT OF COMMERCE</b>			
Economic Development Assistance Programs (emergency)	—	—	75,000
National Oceanic and Atmospheric Administration	—	—	75,000
<b>DEPARTMENT OF JUSTICE</b>			
State and Local Law Enforcement Assistance (emergency)	—	—	75,000
<b>Chapter 3</b>			
<b>Corps of Engineers</b>			
Construction, General (emergency)	—	—	66,600
Advance appropriation, FY2009 (emergency)	2,835,000	2,835,000	4,966,745
Mississippi river and tributaries (emergency)	—	—	17,700
Operations and Maintenance (emergency)	—	—	338,800
Flood Control and Coastal Emergencies (emergency)	—	—	94,400
Advance appropriation, FY2009 (emergency)	2,926,000	2,926,000	3,274,000
General expenses (emergency)	--	—	1,500

	Request	House	Senate
<b>Chapter 6</b>			
<b>DEPARTMENT OF THE INTERIOR</b>			
Bureau of Land Management, Wildland Fire Management (emergency)	—	—	125,000
National Park Service, Historic Preservation Fund (emergency)	—	—	15,000
EPA, State and Tribal Assistance Grants (emergency)	—	—	5,000
<b>DEPARTMENT OF AGRICULTURE</b>			
Forest Service, Wildland Fire Management (emergency)	—	—	325,000
<b>Chapter 7</b>			
<b>DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			
Centers for Medicare and Medicaid Services	—	—	350,000
<b>Chapter 8</b>			
<b>DEPARTMENT OF DEFENSE</b>			
Military Construction Army National Guard (emergency)	—	—	11,503
(Rescission of emergency appropriations)	—	—	-7,000
General Provision, Sec. 3801 Family Housing Navy (emergency)	—	—	10,500
<b>Chapter 9</b>			
<b>Emergency Highway Relief Program (emergency)</b>	—	—	451,126
<b>Department of Housing and Urban Development</b>			
Permanent Supportive Housing (emergency)	—	—	73,000
Housing transition assistance (emergency)	—	—	3,000
Project-based rental assistance (emergency)	—	—	20,000
Community Development Block Fund (emergency)	—	—	50,000
Louisiana Road Home (rescission of emergency funds)	—	—	-200,000
<b>Total, Title III</b>	<b>5,761,000</b>	<b>5,761,000</b>	<b>10,396,751</b>
Defense	—	—	15,003
International Affairs	—	—	--
Domestic	5,761,000	5,761,000	10,381,748
<b>TITLE IV (Senate)/Title III (House): VETERANS EDUCATIONAL ASSISTANCE</b>			
Readjustment benefits (emergency)	—	40,000	40,000
Advance appropriation, FY2009 (emergency)	—	676,000	677,000
<b>Total, Title IV</b>	—	<b>716,000</b>	<b>717,000</b>
Defense	—	—	—
International Affairs	—	—	—
Domestic	—	716,000	717,000
<b>TITLE V (Senate)/Title IV (House): EMERGENCY UNEMPLOYMENT COMPENSATION</b>			
Emergency unemployment compensation (emergency)	—	6,170,000	6,170,000
Advance appropriation, FY2009 (emergency)	—	9,440,000	9,440,000
<b>Total, Title V</b>	—	<b>15,610,000</b>	<b>15,610,000</b>
Defense	—	—	—
International Affairs	—	—	—
Domestic	—	15,610,000	15,610,000
<b>TITLE VI (Senate)/Title V (House): DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			
Medicaid Moratorium, FY2008 (emergency)	—	450,000	—
Medicaid Moratorium, FY2009 (emergency)	—	1,150,000	—
Medicaid, Medicare and SCHIP provisions (emergency)	—	—	530,000
Advance appropriation, FY2009 (emergency)	—	—	1,225,000

	Request	House	Senate
<b>Total, Title VI</b>	—	<b>1,600,000</b>	<b>1,755,000</b>
Defense	—	—	—
International Affairs	—	—	—
Domestic	—	1,600,000	1,755,000
<b>TITLE IX: DEFENSE MATTERS</b>			
<b>CHAPTER 1</b>			
<b>DEFENSE SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR 2008</b>			
<b>Military Personnel</b>			
Military Personnel, Army (emergency)	11,535,055	—	12,216,715
Military Personnel, Navy (emergency)	696,053	—	894,185
Military Personnel, Marine Corps (emergency)	1,733,971	—	1,826,688
Military Personnel, Air Force (emergency)	1,277,853	—	1,355,544
Reserve Personnel, Army (emergency)	299,200	—	304,200
Reserve Personnel, Navy (emergency)	70,000	—	72,800
Reserve Personnel, Marine Corps (emergency)	15,420	—	16,720
Reserve Personnel, Air Force (emergency)	3,000	—	5,000
National Guard Personnel, Army (emergency)	1,136,747	—	1,369,747
National Guard Personnel, Air Force (emergency)	—	—	4,000
<b>Total, Military Personnel</b>	<b>16,767,299</b>	—	<b>18,065,599</b>
<b>Operation and Maintenance</b>			
Operation & Maintenance, Army (emergency)	18,712,468	—	17,223,512
Operation & Maintenance, Navy (emergency)	2,498,765	—	2,977,864
(Transfer out) (emergency)	[-115,400]	—	[-112,607]
Operation & Maintenance, Marine Corps (emergency)	306,050	—	159,900
Operation & Maintenance, Air Force (emergency)	5,924,865	—	5,972,520
Operation & Maintenance, Defense-Wide (emergency)	3,152,933	—	3,657,562
Operation & Maintenance, Army Reserve (emergency)	118,958	—	164,839
Operation & Maintenance, Navy Reserve (emergency)	41,750	—	109,876
Operation & Maintenance, Marine Corps Reserve (emergency)	22,040	—	70,256
Operation & Maintenance, Air Force Reserve (emergency)	12,133	—	165,994
Operation & Maintenance, Army National Guard (emergency)	430,008	—	685,644
Operation & Maintenance, Air National Guard (emergency)	51,633	—	287,369
Subtotal, Operation and Maintenance	31,271,603	—	31,475,336
Iraq Freedom Fund (emergency)	207,500	—	50,000
Afghanistan Security Forces Fund (emergency)	1,350,000	—	1,400,000
Iraq Security Forces Fund (emergency)	1,500,000	—	1,500,000
Subtotal, Other	3,057,500	—	2,950,000
<b>Total, Operation and Maintenance</b>	<b>34,329,103</b>	—	<b>34,425,336</b>
<b>Procurement</b>			
Aircraft Procurement, Army (emergency)	1,181,864	—	954,111
Missile Procurement, Army (emergency)	641,764	—	561,656
Procurement of Weapons and Tracked Combat Vehicles, Army (emergency)	5,860,252	—	5,463,471
Procurement of Ammunition, Army (emergency)	359,600	—	344,900
Other Procurement, Army (emergency)	21,103,261	—	16,337,340
Aircraft Procurement, Navy (emergency)	3,859,958	—	3,563,254
Weapons Procurement, Navy (emergency)	318,281	—	317,456
Procurement of Ammunition, Navy and Marine Corps (emergency)	304,945	—	304,945
Other Procurement, Navy (emergency)	1,515,116	—	1,399,135



	<b>Request</b>	<b>House</b>	<b>Senate</b>
Procurement, Marine Corps (emergency)	2,444,490	—	2,197,390
Aircraft Procurement, Air Force (emergency)	3,894,839	—	7,103,923
Missile Procurement, Air Force (emergency)	1,800	—	66,943
Procurement of Ammunition, Air Force (emergency)	104,405	—	205,455
Other Procurement, Air Force (emergency)	2,405,034	—	1,953,167
Procurement, Defense-Wide (emergency)	266,237	—	408,209
National Guard and Reserve Equipment (emergency)	—	—	825,000
Rapid Acquisition Fund	150,000	—	
<b>Total, Procurement</b>	<b>44,411,846</b>	<b>—</b>	<b>42,006,355</b>
<b>Research, Development, Test and Evaluation</b>			
Research, Development, Test & Evaluation, Army (emergency)	163,299	—	162,958
Research, Development, Test & Evaluation, Navy (emergency)	610,567	—	366,110
Research, Development, Test & Evaluation, Air Force (emergency)	1,487,493	—	399,817
Research, Development, Test and Evaluation, Defense-Wide (emergency)	684,389	—	816,598
<b>Total, Research, Development, Test and Evaluation</b>	<b>2,945,748</b>	<b>—</b>	<b>1,745,483</b>
<b>Revolving and Management Funds</b>			
Defense Working Capital Funds (emergency)	957,675		1,837,450
National Defense Sealift Fund (emergency)	5,110		5,110
<b>Total, Revolving and Management Funds</b>	<b>962,785</b>		<b>1,842,560</b>
<b>Other Department of Defense Programs</b>			
Defense Health Program (emergency)	561,741	—	1,413,864
Psychological health and traumatic brain injury (emergency)	--	—	75,000
Drug Interdiction and Counter-Drug Activities, Defense (emergency)	65,017	—	65,317
Office of the Inspector General (emergency)	4,394	—	6,394
<b>Total, Other Department of Defense Programs</b>	<b>631,152</b>	<b>—</b>	<b>1,560,575</b>
<b>General Provisions</b>			
Sec 11103 Additional transfer authority (emergency)	—	—	[2,500,000]
Sec 11105 Defense Cooperation Account (transfer authority) (emergency)	6,500	—	6,500
<b>Total, General Provisions</b>	<b>6,500</b>	<b>—</b>	<b>6,500</b>
<b>Total, Chapter 1: FY2008 SUPPLEMENTAL APPROPRIATIONS</b>	<b>100,054,433</b>	<b>—</b>	<b>99,652,408</b>
<b>Chapter 2</b>			
<b>DEFENSE BRIDGE FUND APPROPRIATIONS FOR FISCAL YEAR 2009</b>			
<b>DEPARTMENT OF DEFENSE—MILITARY</b>			
<b>Military Personnel</b>			
Military Personnel, Army (emergency)	3,500,000	—	839,000
Military Personnel, Navy (emergency)	95,000	—	75,000
Military Personnel, Marine Corps (emergency)	85,000	—	55,000
Military Personnel, Air Force (emergency)	105,000	—	75,000
National Guard Personnel, Army (emergency)	20,000	—	150,000
<b>Total, Military Personnel</b>	<b>3,805,000</b>	<b>—</b>	<b>1,194,000</b>
<b>Operation and Maintenance</b>			
Operation & Maintenance, Army (emergency)	35,560,055	—	37,300,000
Operation & Maintenance, Navy (emergency)	238,437	—	3,500,000
(Transfer out) (emergency)	[-200,000]	—	[-112,000]
Operation & Maintenance, Marine Corps (emergency)	2,200,000	—	2,900,000
Operation & Maintenance, Air Force (emergency)	3,644,078	—	5,000,000
Operation & Maintenance, Defense-Wide (emergency)	3,193,494	—	2,648,569

	Request	House	Senate
Operation & Maintenance, Army Reserve (emergency)	—	—	79,291
Operation & Maintenance, Navy Reserve (emergency)	—	—	42,490
Operation & Maintenance, Marine Corps Reserve (emergency)	34,000	—	47,076
Operation & Maintenance, Air Force Reserve (emergency)	—	—	12,376
Operation & Maintenance, Army National Guard (emergency)	—	—	333,540
Operation & Maintenance, Air National Guard (emergency)	—	—	52,667
Subtotal, Operation and Maintenance	44,870,064	—	51,916,009
Afghanistan Security Forces Fund (emergency)	3,666,259	—	2,000,000
Iraq Security Forces Fund (emergency)	2,000,000	—	1,000,000
<b>Total, Operation and Maintenance</b>	<b>50,536,323</b>	<b>—</b>	<b>54,916,009</b>
<b>Procurement</b>			
Aircraft Procurement, Army (emergency)	—	—	84,000
Procurement of Weapons and Tracked Combat Vehicles, Army (emergency)	—	—	822,674
Procurement of Ammunition, Army (emergency)	—	—	46,500
Other Procurement, Army (emergency)	80,536	—	1,009,050
Other Procurement, Navy (emergency)	—	—	27,948
Procurement, Marine Corps (emergency)	—	—	565,425
Aircraft Procurement, Air Force (emergency)	1,209,300	—	201,842
Other Procurement, Air Force (emergency)	1,467,475	—	1,500,644
Procurement, Defense-Wide (emergency)	72,733	—	177,237
Rapid Acquisition fund (emergency)	100,000	—	
<b>Total, Procurement</b>	<b>2,930,044</b>	<b>—</b>	<b>4,435,320</b>
<b>Research, Development, Test and Evaluation</b>			
Research, Development, Test & Evaluation, Navy (emergency)	113,228	—	113,228
Research, Development, Test & Evaluation, Air Force (emergency)	71,741	—	72,041
Research, Development, Test and Evaluation, Defense-Wide (emergency)	194,156	—	202,559
<b>Total, Research, Development, Test and Evaluation</b>	<b>379,125</b>	<b>—</b>	<b>387,828</b>
<b>Revolving and Management Funds</b>			
Defense Working Capital Funds (emergency)	2,200,000	--	—
<b>Total, Revolving and Management Funds</b>	<b>2,200,000</b>	<b>--</b>	<b>—</b>
<b>Other Department of Defense Programs</b>			
Defense Health Program (emergency)	400,000	—	1,100,000
Drug Interdiction and Counter-Drug Activities, Defense (emergency)	130,000	—	188,000
Joint Improvised Explosive Device Defeat fund (emergency)	2,970,444	—	2,000,000
<b>Total, Other Department of Defenses Programs</b>	<b>3,500,444</b>	<b>—</b>	<b>3,288,000</b>
<b>General Provisions</b>			
Sec 11203 Transfer authority	[4,000,000]	—	[4,000,000]
Sec 11208 Mine Resistant Ambush Protected Vehicle fund (emergency)	2,610,000	—	1,700,000
<b>Total, General Provisions</b>	<b>2,610,000</b>	<b>—</b>	<b>1,700,000</b>
<b>Total, Chapter 2: FY2009 BRIDGE FUND APPROPRIATIONS</b>	<b>65,960,936</b>	<b>—</b>	<b>65,921,157</b>
<b>Chapter 3</b>			
<b>General Provision</b>			
Sec 11308 rescission of emergency appropriations	—	—	-146,531

	<b>Request</b>	<b>House</b>	<b>Senate</b>
<b>Total, Title IX</b>	<b>166,015,369</b>	—	<b>165,427,034</b>
Defense	166,015,369	—	165,427,034
International Affairs	—	—	—
Domestic	—	—	—
<b>TOTAL IN BILL /d/</b>	<b>183,824,374</b>	<b>39,094,265</b>	<b>212,186,649</b>
<b>TOTALS BY TITLE</b>			
Title I: Other Security, Military Construction, and International Matters	12,048,005	14,909,096	14,231,264
Title II: Domestic Matters	—	498,169	4,049,600
Title III (Senate): Hurricanes Katrina and Rita, and Other Natural Disasters	5,761,000	5,761,000	10,396,751
Title IV (Senate)/Title III (House): Veterans Educational Assistance	—	716,000	717,000
Title V (Senate)/Title IV (House): Emergency Unemployment Compensation	—	15,610,000	15,610,000
Title VI (Senate)/Title V (House): Department of Health and Human Services	—	1,600,000	1,755,000
Title IX: Defense Matters	166,015,369	—	165,427,034
<b>TOTALS BY CATEGORY</b>			
Defense /e/	168,453,900	4,641,684	169,127,993
International Affairs	9,423,708	9,918,608	9,918,608
Domestic	5,946,766	24,534,473	33,140,048

**Sources:** Request and Senate amounts from Senate Appropriations Committee, “FY2008 Supplemental Explanatory Material,” May 20, 2008, on line at [<http://appropriations.senate.gov/>]; House amounts by CRS based on explanatory material prepared by the House Appropriations Committee and distributed on May 15, 2008, by the House Rules Committee on line at [[http://www.rules.house.gov/announcement\\_details.aspx?NewsID=3333](http://www.rules.house.gov/announcement_details.aspx?NewsID=3333)].

**Notes:** Amounts may not add due to rounding. All totals shown are net of offsetting rescissions.

- a. This accounting follows the Senate structure of the bill.
- b. Funding for comparable offset programs is shown in the Senate bill under Subchapter C, below.
- c. Funding for comparable offset programs is shown in the House bill in Subchapter A, above.
- d. Bill totals shown do not include projected costs of enhanced veterans’ educational benefits after FY2009 nor projected offsetting reductions in unemployment compensation benefits.
- e. The amount shown in the “Defense Category” includes defense appropriations provided in Title IX, military construction and family housing appropriations provided in Titles I and III, and appropriations for defense-related activities of the Department of Energy provided in Title II.

**Table B-2. Memorandum: Un-passed House Leadership Bill Defense Funding Compared to Request and Senate-Passed Bill**  
(amounts in thousands of dollars)

	Request	House Leadership Bill	Senate	Senate vs House
<b>TITLE IX: DEFENSE MATTERS</b>				
<b>CHAPTER 1</b>				
<b>DEFENSE SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR 2008</b>				
<b>Military Personnel</b>				
Military Personnel, Army (emergency)	11,535,055	11,807,655	12,216,715	+409,060
Military Personnel, Navy (emergency)	696,053	866,753	894,185	+27,432
Military Personnel, Marine Corps (emergency)	1,733,971	1,820,571	1,826,688	+6,117
Military Personnel, Air Force (emergency)	1,277,853	1,286,153	1,355,544	+69,391
Reserve Personnel, Army (emergency)	299,200	304,200	304,200	--
Reserve Personnel, Navy (emergency)	70,000	72,800	72,800	--
Reserve Personnel, Marine Corps (emergency)	15,420	16,720	16,720	--
Reserve Personnel, Air Force (emergency)	3,000	5,000	5,000	--
National Guard Personnel, Army (emergency)	1,136,747	1,369,747	1,369,747	--
National Guard Personnel, Air Force (emergency)		4,000	4,000	--
<b>Total, Military Personnel</b>	<b>16,767,299</b>	<b>17,553,599</b>	<b>18,065,599</b>	<b>+512,000</b>
<b>Operation and Maintenance</b>				
Operation & Maintenance, Army (emergency)	18,712,468	16,343,512	17,223,512	+880,000
Operation & Maintenance, Navy (emergency)	2,498,765	2,952,864	2,977,864	+25,000
(Transfer out) (emergency)	[-115,400]	[-112,607]	[-112,607]	--
Operation & Maintenance, Marine Corps (emergency)	306,050	159,900	159,900	--
Operation & Maintenance, Air Force (emergency)	5,924,865	5,922,520	5,972,520	+50,000
Operation & Maintenance, Defense-Wide (emergency)	3,152,933	3,387,562	3,657,562	+270,000
Operation & Maintenance, Army Reserve (emergency)	118,958	164,839	164,839	--
Operation & Maintenance, Navy Reserve (emergency)	41,750	109,876	109,876	--
Operation & Maintenance, Marine Corps Reserve (emergency)	22,040	70,256	70,256	--
Operation & Maintenance, Air Force Reserve (emergency)	12,133	165,994	165,994	--
Operation & Maintenance, Army National Guard (emergency)	430,008	685,633	685,644	+11
Operation & Maintenance, Air National Guard (emergency)	51,633	287,369	287,369	--
Subtotal, Operation and Maintenance	31,271,603	30,250,325	31,475,336	+1,225,011
Iraq Freedom Fund (emergency)	207,500	50,000	50,000	--
Afghanistan Security Forces Fund (emergency)	1,350,000	1,400,000	1,400,000	--
Iraq Security Forces Fund (emergency)	1,500,000	1,500,000	1,500,000	--
Subtotal, Other	3,057,500	2,950,000	2,950,000	--
<b>Total, Operation and Maintenance</b>	<b>34,329,103</b>	<b>33,200,325</b>	<b>34,425,336</b>	<b>+1,225,011</b>
<b>Procurement</b>				
Aircraft Procurement, Army (emergency)	1,181,864	954,111	954,111	--
Missile Procurement, Army (emergency)	641,764	561,656	561,656	--
Procurement of Weapons and Tracked Combat Vehicles, Army (emergency)	5,860,252	5,393,471	5,463,471	+70,000

	Request	House Leadership Bill	Senate	Senate vs House
Procurement of Ammunition, Army (emergency)	359,600	344,900	344,900	--
Other Procurement, Army (emergency)	21,103,261	15,967,340	16,337,340	+370,000
Aircraft Procurement, Navy (emergency)	3,859,958	3,411,254	3,563,254	+152,000
Weapons Procurement, Navy (emergency)	318,281	317,456	317,456	--
Procurement of Ammunition, Navy and Marine Corps (emergency)	304,945	304,945	304,945	--
Other Procurement, Navy (emergency)	1,515,116	1,260,135	1,399,135	+139,000
Procurement, Marine Corps (emergency)	2,444,490	2,153,390	2,197,390	+44,000
Aircraft Procurement, Air Force (emergency)	3,894,839	7,028,563	7,103,923	+75,360
Missile Procurement, Air Force (emergency)	1,800	66,943	66,943	--
Procurement of Ammunition, Air Force (emergency)	104,405	205,455	205,455	--
Other Procurement, Air Force (emergency)	2,405,034	1,903,167	1,953,167	+50,000
Procurement, Defense-Wide (emergency)	266,237	408,209	408,209	--
National Guard and Reserve Equipment (emergency)		750,000	825,000	+75,000
Rapid Acquisition Fund	150,000	--		
<b>Total, Procurement</b>	<b>44,411,846</b>	<b>41,030,995</b>	<b>42,006,355</b>	<b>+975,360</b>
<b>Research, Development, Test and Evaluation</b>				
Research, Development, Test & Evaluation, Army (emergency)	163,299	162,958	162,958	--
Research, Development, Test & Evaluation, Navy (emergency)	610,567	366,110	366,110	--
Research, Development, Test & Evaluation, Air Force (emergency)	1,487,493	278,427	399,817	+121,390
Research, Development, Test and Evaluation, Defense-Wide (emergency)	684,389	816,598	816,598	--
<b>Total, Research, Development, Test and Evaluation</b>	<b>2,945,748</b>	<b>1,624,093</b>	<b>1,745,483</b>	<b>+121,390</b>
<b>Revolving and Management Funds</b>				
Defense Working Capital Funds (emergency)	957,675	1,837,450	1,837,450	--
National Defense Sealift Fund (emergency)	5,110	5,110	5,110	--
Total, Revolving and Management Funds	962,785	1,842,560	1,842,560	--
Other Department of Defense Programs				--
Defense Health Program (emergency)	561,741	1,363,864	1,413,864	+50,000
Operation and maintenance (emergency)	[561,741]	[907,063]	[957,064]	--
Procurement (emergency)	--	[91,900]	[91,900]	--
Research Development and Testing (emergency)	--	[363,900]	[365,900]	--
Psychological health and traumatic brain injury (emergency)	--	75,000	75,000	--
Drug Interdiction and Counter-Drug Activities, Defense (emergency)	65,017	65,317	65,317	--
Office of the Inspector General (emergency)	4,394	6,394	6,394	--
<b>Total, Other Department of Defense Programs</b>	<b>631,152</b>	<b>1,510,575</b>	<b>1,560,575</b>	<b>+50,000</b>
<b>General Provisions</b>				
Sec 11103 Additional transfer authority (emergency)	--	[2,500,500]	[2,500,000]	--
Sec 11105 Defense Cooperation Account (transfer authority) (emergency)	6,500	6,500	6,500	--
Rescissions of emergency funds	--	-146,531	--	+146,531
<b>Total, General Provisions</b>	<b>6,500</b>	<b>-140,031</b>	<b>6,500</b>	<b>+146,531</b>
<b>Total, Chapter 1: FY2008 Appropriations</b>	<b>100,054,433</b>	<b>96,622,116</b>	<b>99,652,408</b>	<b>+3,030,292</b>

	Request	House Leadership Bill	Senate	Senate vs House
<b>Chapter 2</b>				
<b>DEFENSE BRIDGE FUND APPROPRIATIONS FOR FISCAL YEAR 2009</b>				
<b>DEPARTMENT OF DEFENSE—MILITARY</b>				
<b>Military Personnel</b>				
Military Personnel, Army (emergency)	3,500,000	839,000	839,000	--
Military Personnel, Navy (emergency)	95,000	75,000	75,000	--
Military Personnel, Marine Corps (emergency)	85,000	55,000	55,000	--
Military Personnel, Air Force (emergency)	105,000	75,000	75,000	--
National Guard Personnel, Army (emergency)	20,000	150,000	150,000	--
<b>Total, Military Personnel</b>	<b>3,805,000</b>	<b>1,194,000</b>	<b>1,194,000</b>	<b>--</b>
<b>Operation and Maintenance</b>				
Operation & Maintenance, Army (emergency)	35,560,055	37,300,000	37,300,000	--
Operation & Maintenance, Navy (emergency)	238,437	3,500,000	3,500,000	--
(Transfer out) (emergency)	[-200,000]	[-112,000]	[-112,000]	--
Operation & Maintenance, Marine Corps (emergency)	2,200,000	2,900,000	2,900,000	--
Operation & Maintenance, Air Force (emergency)	3,644,078	5,000,000	5,000,000	--
Operation & Maintenance, Defense-Wide (emergency)	3,193,494	2,648,569	2,648,569	--
Operation & Maintenance, Army Reserve (emergency)	--	79,291	79,291	--
Operation & Maintenance, Navy Reserve (emergency)	--	42,490	42,490	--
Operation & Maintenance, Marine Corps Reserve (emergency)	34,000	47,076	47,076	--
Operation & Maintenance, Air Force Reserve (emergency)	--	12,376	12,376	--
Operation & Maintenance, Army National Guard (emergency)	--	333,540	333,540	--
Operation & Maintenance, Air National Guard (emergency)	--	52,667	52,667	--
Subtotal, Operation and Maintenance	44,870,064	51,916,009	51,916,009	--
Afghanistan Security Forces Fund (emergency)	3,666,259	2,000,000	2,000,000	--
Iraq Security Forces Fund (emergency)	2,000,000	1,000,000	1,000,000	--
<b>Total, Operation and Maintenance</b>	<b>50,536,323</b>	<b>54,916,009</b>	<b>54,916,009</b>	<b>--</b>
<b>Procurement --</b>				
Aircraft Procurement, Army (emergency)	--	84,000	84,000	--
Procurement of Weapons and Tracked Combat Vehicles, Army (emergency)	--	822,674	822,674	--
Procurement of Ammunition, Army (emergency)	--	46,500	46,500	--
Other Procurement, Army (emergency)	80,536	1,009,050	1,009,050	--
Other Procurement, Navy (emergency)	--	27,948	27,948	--
Procurement, Marine Corps (emergency)	--	565,425	565,425	--
Aircraft Procurement, Air Force (emergency)	1,209,300	201,842	201,842	--
Other Procurement, Air Force (emergency)	1,467,475	1,500,644	1,500,644	--
Procurement, Defense-Wide (emergency)	72,733	177,237	177,237	--
Rapid Acquisition fund (emergency)	100,000	--	--	--
<b>Total, Procurement</b>	<b>2,930,044</b>	<b>4,435,320</b>	<b>4,435,320</b>	<b>--</b>
<b>Research, Development, Test and Evaluation</b>				
Research, Development, Test & Evaluation, Navy (emergency)	113,228	113,228	113,228	--

	Request	House Leadership Bill	Senate	Senate vs House
Research, Development, Test & Evaluation, Air Force (emergency)	71,741	72,041	72,041	--
Research, Development, Test and Evaluation, Defense-Wide (emergency)	194,156	202,559	202,559	--
<b>Total, Research, Development, Test and Evaluation</b>	<b>379,125</b>	<b>387,828</b>	<b>387,828</b>	<b>--</b>
<b>Revolving and Management Funds</b>				
Defense Working Capital Funds (emergency)	2,200,000	--	--	--
Total, Revolving and Management Funds	2,200,000	--	--	--
<b>Other Department of Defense Programs</b>				
Defense Health Program (emergency)	400,000	1,100,000	1,100,000	--
Drug Interdiction and Counter-Drug Activities, Defense (emergency)	130,000	188,000	188,000	--
Joint Improvised Explosive Device Defeat fund (emergency)	2,970,444	2,000,000	2,000,000	--
<b>Total, Other Department of Defenses Programs</b>	<b>3,500,444</b>	<b>3,288,000</b>	<b>3,288,000</b>	<b>--</b>
<b>General Provisions</b>				
Sec 11203 Transfer authority	[4,000,000]	[4,000,000]	[4,000,000]	--
Sec 11208 Mine Resistant Ambush Protected Vehicle fund (emergency)	2,610,000	1,700,000	1,700,000	--
<b>Total, General Provisions</b>	<b>2,610,000</b>	<b>1,700,000</b>	<b>1,700,000</b>	<b>--</b>
<b>Total, Chapter 2</b>	<b>65,960,936</b>	<b>65,921,157</b>	<b>65,921,157</b>	<b>--</b>
<b>Chapter 3</b>				
<b>General Provision</b>				
Sec 11308 rescission of emergency appropriations	--	--	-146,531	-146,531
<b>Total, Title IX</b>	<b>166,015,369</b>	<b>162,543,273</b>	<b>165,427,034</b>	<b>+2,883,761</b>

**Sources:** Request and Senate amounts from Senate Appropriations Committee, "FY2008 Supplemental Explanatory Material," May 20, 2008, on line at [<http://appropriations.senate.gov/>]; House amounts by CRS based on explanatory material prepared by the House Appropriations Committee and distributed on May 15, 2008, by the House Rules Committee on line at [[http://www.rules.house.gov/announcement\\_details.aspx?NewsID=3333](http://www.rules.house.gov/announcement_details.aspx?NewsID=3333)].