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PROPOSED TRANSFER PROVISION FOR THE FISCAL YEAR  
1973 FOR THE DEPARTMENT OF DEFENSE—MILITARY

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COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

A PROPOSED TRANSFER PROVISION FOR THE FISCAL YEAR 1973  
FOR THE DEPARTMENT OF DEFENSE—MILITARY

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MARCH 22, 1973.—Referred to the Committee on Appropriations and ordered  
to be printed

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THE WHITE HOUSE,  
Washington, D.C., March 21, 1973.

THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I ask the Congress to consider a proposed transfer provision for the fiscal year 1973 in the amount of \$500,000,000 which will not increase budget authority for the Department of Defense - Military.

The details of this proposal are set forth in the enclosed letter from the Director of the Office of Management and Budget, with whose comments I concur.

Respectfully,

RICHARD NIXON.

Enclosure.

EXECUTIVE OFFICE OF THE PRESIDENT,  
OFFICE OF MANAGEMENT AND BUDGET,  
Washington, D.C., March 21, 1973.

The PRESIDENT,  
The White House.

SIR: I have the honor to submit for your consideration a provision to increase the transfer authority contained in section 735 of the General Provisions of the Department of Defense Appropriation Act, 1973 as follows:

DEPARTMENT OF DEFENSE—MILITARY

GENERAL PROVISIONS

*Section 735 of the Department of Defense Appropriation Act, 1973, is amended by deleting "\$750,000,000" and inserting "\$1,250,000,000" in lieu thereof.*

Many of the assumptions or activity rates upon which the budget and appropriations for fiscal year 1973 were based were established prior to the Southeast Asia cease fire, the dollar devaluation, and the recent price increases on food commodities for military personnel. In addition to the fact that combat activity rates during January and February were above budgeted levels, additional costs related to the ceasefire have been incurred. These ceasefire costs include such things as the removal of all mines in the territorial water of North Vietnam, the withdrawal of U.S. and Korean forces, the transportation of residual war materiel. The devaluation of the dollar and food price increases have added significantly to defense costs. In order to cover these high priority needs, other lower priority programs can be deferred or cancelled.

These changes can be accommodated within appropriations now available to the Department of Defense, by transferring funds already appropriated to the Department. The use of the existing transfer authority of \$750,000,000, exclusive of \$25,000,000 for a program to substitute civilian personnel for military personnel, is already totally programmed. This increase in transfer authority is necessary to provide the flexibility to transfer funds to meet requirements as they arise during the balance of the year.

The expenditure effect of these changes will not increase the total 1973 and 1974 outlays shown for the Department of Defense in the 1974 budget.

I have carefully reviewed the foregoing proposal and am satisfied that this request is necessary at this time. I recommend, therefore, that this proposal be sent to the Congress.

Respectfully,

ROY L. ASH, Director.

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