

The Act provides appropriations for the Nation's defense and supplemental appropriations for many agencies for recovery from and response to terrorist attacks on the United States. In particular, the Act provides the resources needed to continue the war against global terrorism, pursue an effective missile defense, properly support members of the Armed Forces and their families, and begin to transform our Armed Forces to meet the military requirements of the 21st century.

I appreciate the bipartisan effort that has gone into producing this Act. It abides by the agreed-upon aggregate funding level for Fiscal Year 2002 of \$686 billion and the agreed-upon level enacted in Public Law 107-38, the "2001 Emergency Supplemental Appropriations Act for Recovery from and Response to the Terrorists Attacks on the United States" that occurred on September 11, 2001.

Public Law 107-38—legislation crafted and enacted with strong bipartisan cooperation—provided a total of \$40 billion in emergency funding to the Emergency Response Fund. The \$40 billion in emergency expenses was provided to assist victims of the attacks and to deal with other consequences of the attacks, including the costs of: (1) providing Federal, State, and local preparedness for mitigating and responding to the attacks; (2) providing support to counter, investigate, or prosecute domestic or international terrorism; (3) providing increased transportation security; (4) repairing public facilities and transportation systems damaged by the attacks; and (5) supporting national security. As required by Public Law 107-38, I designated the entire \$40 billion as an emergency funding requirement. To date, my Administration has transferred \$19.7 billion of the first \$20 billion, which was made available to agencies, without requiring any further congressional action, to address the immediate needs and consequences of the attacks.

The second \$20 billion provided in this Act will continue those efforts. The funds

in this Act include: \$3.5 billion for Department of Defense operations; \$8.2 billion for New York, Virginia, Maryland, the District of Columbia, and Pennsylvania, to help those areas recover from the terrorist attacks; and \$8.4 billion for homeland security activities. I am proud that we worked together with such bipartisan spirit in the weeks following the despicable attacks on our Nation. My Administration will work together with the Congress to address additional needs as they become known during the second session of the 107th Congress.

The Act funds the vast majority of my request for critical pay raises and other quality of life programs. It supports my commitment to improving the quality of life of our military personnel and their families by including pay raises of 5 to 15 percent. The Act also funds many of my modernization priorities, including conversion of Trident submarines to sub-marines that can carry cruise missiles. However, because it provides approximately \$2 billion less than requested, the Act does not adequately fund all my critical priorities, specifically the readiness of our forces. The \$2 billion reduction is largely achieved by cuts to operation and maintenance programs. While a small portion of that reduction is offset in dollar terms by congressional increases, those increases are for programs of a much lower priority. As a result, these cuts will place our military forces in the all too familiar predicament of having to choose either to sacrifice near-term readiness or to forego critical repair of family housing, defer important depot maintenance of our weapon systems, and reduce base operations.

Section 8007 of the Act prohibits use of funds to initiate a special access program until 30 calendar days of congressional session have elapsed after the executive branch has notified the congressional defense committees of initiation of the program. The U.S. Supreme Court has stated that the President's authority to classify and