

Chon



cc Clerk, Jim Murr, Kieffer
DRAFT

file

STATEMENT BY THE PRESIDENT

Today, I sign into law H.R. 3230, the "National Defense Authorization Act for Fiscal Year 1997," legislation authorizing fiscal 1997 appropriations for military activities of the Department of Defense, military construction, and defense activities of the Department of Energy. While I have reservations about parts of this Act, it is a step in the right direction, authorizing much of what my Administration sought and omitting a number of provisions that we opposed.

First, the Act will improve the quality of life for military personnel by providing a three percent pay increase and better housing opportunities.

Second, the Act authorizes appropriations for important modernization programs requested in my Budget. These programs, which are designed to provide our forces with the most modern equipment found anywhere on the globe, include the Army's Comanche helicopter, the Navy's Seawolf submarine, the Air Force's C-17 transport, and the V-22 Osprey for the Marine Corps.

Third, the Act authorizes additional appropriations for counter-narcotics programs, which my Administration sought in a FY 1996 supplemental appropriations request.

Fourth, the Act authorizes the Nunn-Lugar Cooperative Threat Reduction program, which provides a highly effective means of enhancing U.S. security by eliminating nuclear weapons and preventing weapons proliferation in the states of the former Soviet Union. And the Act also establishes the Nunn-Lugar II program, which authorizes the Department of Defense to assist

civilian law enforcement agencies in responding to emergencies involving biological, chemical or nuclear weapons of mass destruction, and to provide funding to improve the security of U.S. and international borders.

Fifth, the Act creates a new National Imagery and Mapping Agency, which will provide a single focus within the government for managing imagery and geospatial information.

Sixth, the Act advances my commitment to sound environmental management by fully funding my request for Defense environmental programs and authorizing solid waste management technologies for Navy ships.

Seventh, the Act authorizes my Administration's request to award the Medal of Honor to seven African American soldiers who demonstrated outstanding heroism in combat during World War II.

I am also gratified that the final version of this bill omitted certain provisions that my Administration staunchly opposed. These include: provisions that would have interfered with our ability to control ballistic missiles by legislating the standards for demarcating theater from strategic ballistic missiles and preventing the President from adding states of the former Soviet Union to the ABM Treaty; and a discriminatory provision requiring discharge of HIV-positive service members.

And I am pleased as well that this Act includes an important non-defense measure, the Interstate Stalking Punishment and Prevention Act, which makes interstate stalking a Federal offense. Most states have strong anti-stalking laws against those who seek to threaten, harass and intimidate others,

especially women and girls. But, until now, stalkers could not be charged with violating restraining orders if they travelled to another state to pursue their victims. This new measure eliminates that loophole and will allow Federal law enforcement to crack down on stalkers wherever they go.

For all its strengths, though, I do have some reservations about this Act. Most important, the Act authorizes \$11.5 billion of appropriations above my 1997 Budget request of \$254.2 billion. I firmly believe that my requested funding levels maintain a strong defense without sacrificing important domestic programs. Moreover, much of the increase authorized by this Act is for programs not in the Defense Department's long-range plan and will require additional future funding, precluding successful completion of modernization programs more vital to our national defense.

Nevertheless, since authorization legislation establishes spending ceilings, and not floors, I still retain the option to veto the Defense Appropriations legislation if Congress does not meet the defense and domestic priorities reflected in my 1997 Budget.

I am also disappointed in several other features of the Act. First, it reduces funding for the important Dual Use Applications Program, the successor to my Technology Reinvestment Project. And it also omits my Administration proposals to broaden the Defense Department's authority to acquire commercial or industrial supplies by contract from the private sector and to outsource more depot maintenance.

Further, the Act fails to include a provision passed by the Senate that would have permitted overseas military medical facilities to provide the same essential medical services to military personnel and their dependents stationed abroad for privately-financed abortions that are available in the United States. I supported the Senate provision because I think it is unfair to deny American women serving our country overseas the ability to choose to have a safe legal abortion.

Other provisions of the Act raise serious constitutional concerns. Provisions purporting to require the President to enter into or report on specified negotiations with foreign governments, as well as a provision that limits the information that could be revealed in negotiations, intrude on the President's constitutional authority to conduct the Nation's diplomacy and to be Commander-in-Chief. I will interpret these provisions as precatory.

Further, the bill's method for appointing the National Ocean Leadership Council would violate the Appointments Clause of the Constitution. I urge the Congress to pass amendments at the earliest possible time to provide for a constitutional means of appointing this Council. Until this correction is made, the Council should not exercise significant governmental authority.

Another provision of the Act could be read to require intra-branch consultations before the Secretary of Defense could make recommendations to me regarding certain appointments. This provision is constitutionally questionable, and I therefore will construe it consistent with my authorities under the

Constitution. I anticipate implementing the intent of the provisions with an Executive Order.

The Act also authorizes the Secretary of Defense to grant waivers of statutory "Buy America" provisions that preserve the Nation's defense industrial base. Many of the defense companies and their employees are facing challenges as a result of downsizing, industry consolidation, and increased foreign competition. To ensure adequate consideration of the consequences of these waivers on the U.S. defense industry, I have directed the Secretary of Defense to consult with the Secretary of Commerce, who has expertise in the condition and viability of this sector, before granting each such waiver.

The Act would overturn organizational arrangements in the Department of Energy's nuclear weapons complex that have served the Nation well for over fifty years. Because this micromanagement provision would severely limit the Secretary's ability to determine and control the best way to manage the Department's personnel, budget, and procurement functions, I have directed the Secretary to study the provision's effects and to report to me and to Congress on the study's results before implementing the provision. If reorganization is appropriate, the Secretary of Energy should use existing statutory authority to assure that the Department is organized in a way that is most efficient for carrying out the Department's business.

Finally, I note that the Act requires the Secretaries of Defense and Health and Human Services to submit a plan to Congress to establish a Medicare subvention demonstration

program. This program would allow Medicare-eligible beneficiaries to enroll in the Defense Department's TRICARE managed care program. These departments recently reached agreement on a detailed plan to implement a three-year Medicare subvention demonstration. Thus, I have directed the departments to work with Congress on bipartisan legislation that would initiate this demonstration.

On balance, this Act takes a number of important steps to advance our national security and the well-being of those who serve us with such loyalty and distinction in our Armed Forces. I look forward to working with the Congress to assure that the appropriated funding is consistent with the my Administration's commitment both to defend this nation and to honor its values.

THE WHITE HOUSE,