



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

May 2, 2017
(House Rules)

STATEMENT OF ADMINISTRATION POLICY
H.R. 244 — Consolidated Appropriations Act, 2017
(Rep. Frelinghuysen, R-NJ)

This Statement of Administration Policy provides views on the House amendment to Senate amendments to H.R. 244, which contains the text of the Consolidated Appropriations Act, 2017.

The Administration appreciates the bill's provision of much-needed funding for our military, including approximately \$21 billion of the requested \$30 billion additional in appropriations that the President submitted to the Congress in March 2017. These funds would accelerate the President's campaign to defeat the Islamic State of Iraq and Syria, as well as support ongoing efforts to rebuild and modernize the U.S. Armed Forces. By providing these funds without a corresponding increase in lower priority non-defense funding, this bill rejects the "parity" construct that for years has jeopardized critical increases in defense spending.

In total, the bill represents a \$25.7 billion increase in Department of Defense funding over fiscal year (FY) 2016 levels. The bill increases end strength by adding 24,000 active-duty forces and 12,000 selected reserve forces above the previous Administration's request for FY 2017. It also invests in both near and long-term readiness, provides direct support to our warfighters through new and improved equipment, and increases pay for our troops. In FY 2018, the Administration looks forward to working with the Congress to increase overall defense funding by fully eliminating defense sequestration in a fiscally responsible manner.

While the Administration will continue to push for additional funding to stop human and drug trafficking, interdict violent gangs and cartels, and support other enforcement priorities, the bill is a good first step, and does make available an additional \$1.5 billion for the Department of Homeland Security. Further, the total funding provided for U.S. Customs and Border Protection and Immigration and Customs Enforcement is \$18.5 billion, an increase of \$1.4 billion over FY 2016.

The Administration is also concerned that the Congress did not exercise fiscal restraint, as it failed to include responsible reductions to non-defense discretionary spending to offset higher spending elsewhere.

The Administration is also disappointed that this bill provides almost \$300 million for Puerto Rico's Medicaid program without underlying reforms to Puerto Rico's struggling healthcare system, which, like so many aspects of the United States healthcare system, has been badly damaged by the Patient Protection and Affordable Care Act. The Administration believes that any sustainable solution to Puerto Rico's dire fiscal situation must include the enactment of pro-growth policies for the island.

The Administration strongly supports the inclusion of the District of Columbia Scholarships for Opportunity and Results (SOAR) Reauthorization Act, which delivers on the President's promise to provide school choice. The Administration also supports the various provisions in the bill that continue protections for the sanctity of life and the Second Amendment.

More generally, the Administration looks forward to working with the Congress to return to regular order for the FY 2018 appropriations process, and to enacting legislation that reflects the President's priorities to keep our Nation safe and create jobs and prosperity for American workers.

If the Consolidated Appropriations Act, 2017 were presented to the President in its current form, his advisors would recommend that he sign the bill into law.

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