



THE WHITE HOUSE  
PRESIDENT  
GEORGE W. BUSH

 CLICK HERE TO PRINT

For Immediate Release  
Office of the Press Secretary  
December 28, 2007

## Statement by Deputy Press Secretary Scott Stanzel

The President intends to veto H.R. 1585, the National Defense Authorization Act for Fiscal Year 2008 ("NDAA"). One provision in the bill - section 1083 - would significantly amend current law (the Foreign Sovereign Immunities Act) in ways that would imperil Iraqi assets held in the United States, including reconstruction and central bank funds. If enacted, Section 1083 would permit plaintiffs' lawyers immediately to freeze Iraqi funds and would expose Iraq to massive liability in lawsuits concerning the misdeeds of the Saddam Hussein regime. The new democratic government of Iraq, during this crucial period of reconstruction, cannot afford to have its funds entangled in such lawsuits in the United States. Once in place, the restrictions on Iraq's funds that could result from the bill could take months to lift, and thus Section 1083 cannot become law even for a short period of time.

 [White House News](#)

We are consulting with the leadership of the Congress on the need for a modification to H.R. 1585 to prevent these effects on our close ally Iraq. The NDAA includes authorization for a 0.5 percent additional pay raise for our Nation's troops, on top of the 3 percent increase that will go into effect on January 1 without the NDAA. As soon as possible upon Congress's return in January, the Administration will work with Congress to enact the NDAA adjusted in a manner that protects Iraqi funds in the United States and that ensures that the additional pay raise for our troops is retroactive to January 1.

# # #

---

**Return to this article at:**

<http://www.whitehouse.gov/news/releases/2007/12/20071228-1.html>

 CLICK HERE TO PRINT