SEC. 1216. AFGHANISTAN INFRASTRUCTURE FUND.

(a) AUTHORIZATION OF APPROPRIATIONS.—Funds are hereby authorized to be appropriated for fiscal year 2012 for the Afghanistan Infrastructure Fund (hereinafter referred to as the "Fund") in the amount of $475,000,000.

(b) USE OF FUNDS.—

(1) IN GENERAL.—Funds appropriated pursuant to subsection (a) shall be available, notwithstanding any other provision of law, for infrastructure projects in Afghanistan, which shall be undertaken by the Secretary of State, unless the Secretary of State and the Secretary of Defense jointly decide that a specific project will be undertaken by the Department of Defense.

(2) TYPES OF PROJECTS AUTHORIZED.—Projects authorized by this section are in support of the counterinsurgency strategy, requiring funding for facility and infrastructure projects, including, but not limited to, water, power and transportation projects, and related maintenance and sustainment costs.

(c) AUTHORITY IN ADDITION TO OTHER AUTHORITIES.—The authority to provide assistance under this section is in addition to any other authority to provide assistance to foreign nations.

(d) JOINT FORMULATION.—Any project funded under this section shall be jointly formulated and concurred in by the Secretary of State and the Secretary of Defense.

(e) TRANSFERS.—

(1) TRANSFERS FROM THE FUND.—The Secretary of Defense may transfer funds to the Department of State for purposes of undertaking projects authorized by this section.

(2) RETURN OF UNEXPENDED FUNDS.—Any unexpended funds transferred to the Secretary of State under this authority shall be returned to the Fund if the Secretary of State, in coordination with the Secretary of Defense, determines that the project cannot be implemented for any reason, or that the project no longer supports the counterinsurgency strategy in Afghanistan. Any funds returned to the Secretary of Defense under this paragraph shall be available for use under this authority and shall be treated in the same manner as funds not transferred to the Secretary of State

(3) TRANSFERS TO THE FUND.—From funds made available to the Department of Defense, the Secretary of Defense may transfer up to $200,000,000 into the Fund in fiscal year 2012.

(4) TRANSFERRED FUNDS.—Funds transferred to the Fund under paragraph (3) shall be merged with funds in the Fund and shall remain available until September 30, 2013.

(5) TRANSFER AUTHORITY.—The authority to transfer funds under paragraphs (1) and (3) shall be in addition to any other authority available to the Department of Defense to transfer funds.

(6) ADDITIONAL AUTHORITIES.—Funds transferred under paragraph (1) shall be considered to be economic assistance under the Foreign Assistance Act of 1961 for purposes of making available the administrative authorities contained in that Act.

(f) AUTHORITY TO ACCEPT CONTRIBUTIONS.—The Secretary of State and Secretary of Defense may accept contributions of amounts for the purposes provided in this section from any person, foreign government, or international organization. Any such amount may be credited to the Fund to remain available until expended and used for purposes of this section.

(g) CONGRESSIONAL NOTIFICATION.—

(1) TRANSFER NOTIFICATION.—The Secretary of Defense shall, not fewer than 15 days prior to making transfers to or from, or obligations from, the Fund, notify the appropriate committees of Congress in writing of the details of such transfer. Such notification shall include a description of any projects to which the transfer or obligation relates, including—

(A) a plan for the sustainment of the project; and

(B) a description of how the project supports the counterinsurgency strategy in Afghanistan.

(2) PROJECT COST INCREASE NOTIFICATION.—The Secretary of Defense shall notify the appropriate congressional committees not less than five days before making a transfer or obligation from the Fund for a project cost increase where such increase is in excess of 20 percent of a previously notified project cost.

(h) APPROPRIATE COMMITTEES OF CONGRESS DEFINED.—In this section, the term "appropriate committees of Congress" means—

(1) the Committees on Armed Services, Foreign Relations, and Appropriations of the Senate; and

(2) the Committees on Armed Services, Foreign Affairs, and Appropriations of the House of Representatives.

Section-by-Section Analysis

This proposal would authorize funds for the new Afghanistan Infrastructure Fund (AIF), established by the Department of Defense and Full-Year Continuing Appropriations Act, 2011 (Public Law 112-10).

The authority allows the Secretary of Defense and the Secretary of State to develop and carry out infrastructure projects in Afghanistan. This proposal would authorize appropriations of

$475 million to the Fund. In addition, this proposal would authorize the Secretary of Defense to transfer up to $200 million from funds available to the Department of Defense to the AIF to support counterinsurgency focused infrastructure projects in Afghanistan. The Secretary of Defense would also be authorized to transfer funds from the AIF to the Department of State in order to undertake projects. The AIF, when combined with State Department funds, would form an Afghanistan Infrastructure Program (AIP) that would serve the missions of both the Department of Defense and the Department of State in supporting projects critical to counterinsurgency objectives and economic development.

Budget Implications: This proposal would be funded from within Overseas Contingency Operations appropriations requested in the Administration's FY 2012 request.

RESOURCE REQUIREMENTS ($MILLIONS)								
	FY 2012	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**Appropriation From**	**Budget Activity**	**Dash-1 Line Item**
AIF	475		-	-	-	O&M, Army		
Total	475		-	-	-	O&M, Army		

Changes to Existing Law: This proposal would create a new stand-alone statutory provision.