

THE WHITE HOUSE
WASHINGTON

August 23, 1999

The Speaker of the

House of Representatives

Sir:

In accordance with provisions of Public Law 105-277, the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999, I hereby request the following transfers from the Information Technology Systems and Related Expenses account:

Department of the Interior

- Departmental Management, Working capital fund: \$6,456,000

Department of Labor

- Departmental Management, Salaries and expenses: \$1,925,000

Department of the Treasury

- Internal Revenue Service, Information systems: \$41,860,500

District of Columbia

- Federal support for economic development and management reforms in the District: \$22,309,649

This funding will support a range of Year 2000 (Y2K) compliance activities including systems remediation and testing, hardware replacement, and contingency planning.

I hereby designate the above requests as emergency requirements pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

The details of these actions are set forth in the enclosed letter from the Deputy Director of the Office of Management and Budget. I concur with her comments and observations.

Sincerely,

A handwritten signature in black ink that reads "William J. Clinton". The signature is written in a cursive style with a prominent upward-pointing arrow above the letter 'i' in "Clinton".

Enclosure



DEPUTY DIRECTOR

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

August 23, 1999

The President

The White House

Submitted for your consideration are requests to transfer \$72.6 million from the Information Technology Systems and Related Expenses Account for Year 2000 (Y2K) compliance to the Departments of the Interior, Labor, the Treasury, and to the District of Columbia. This is the ninth release of non-defense contingent emergency funding for Y2K from funds appropriated in P.L. 105-277, the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999. Including funding released to the Legislative and Judicial Branches when you signed P.L. 105-277, \$1,971.4 million has been allocated to date.

The contingent emergency funding provided in the Omnibus Act -- \$1.1 billion for defense-related activities and \$2.25 billion for non-defense activities -- has enabled Federal agencies to respond effectively to unanticipated Y2K-related issues. With this release of funds, a total of \$292.3 million will remain in the contingent emergency reserve for non-defense activities (including \$13.7 million that was allocated to the Department of Energy on February 3rd but was not transferred). All of the contingent funding for defense-related activities has been released.

Funding provided in this transmittal would be utilized as follows:

- The Department of the Interior would use these funds to continue Y2K remediation efforts in Guam and for Tribes that have contract/compact agreements with the Bureau of Indian Affairs (BIA). Funding for Guam would be used to repair systems in the areas of Government operations, health, and utilities that were originally funded by the Department of Interior or another Federal agency. Funding for the Tribes would be used to replace non-compliant PC hardware and to upgrade software based on completed inventories of additional Tribes that use this equipment to carry-out functions contracted from the BIA.
- The Department of Labor would use funds to provide technical assistance and project management support to the Government of the District of Columbia to complete the Y2K conversion of its unemployment insurance system.

- The Department of the Treasury would use these funds enable the Internal Revenue Service to replace aging desktop and laptop computers that cannot support new Y2K-compliant software and to support service-wide upgrades to telecommunications and software needed to accommodate Y2K-compliant systems.
- The District of Columbia would use funds at eight mission critical agencies for systems remediation, replacement of non-compliant hardware, and contingency planning. For purposes of these funds, the District is considered a Federal agency. It is subject to the same reporting requirements as Federal agencies that have received Y2K emergency funding and continues to update the Office of Management and Budget (OMB) and Congress on its progress toward achieving Y2K compliance.

Pursuant to the requirements of Public Law 105-277, OMB will prepare and submit a report to Congress on these agencies' proposed allocations and plans to achieve Y2K compliance for technology information systems before funds can be released. The report will be transmitted to the congressional committees specified in P.L. 105-277 concurrent with this request for the release of funds. In addition, OMB has directed each agency to provide detailed justification materials in support of its plan and allocation to the relevant appropriations subcommittees.

I recommend that you designate the amounts listed on the enclosure as emergency requirements in accordance with section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended. No further congressional action will be required. Pursuant to P.L. 105-277, funds will be made available to agencies 15 days after this designation is forwarded to Congress.

I have carefully reviewed these proposals and am satisfied that they are necessary at this time. Therefore, I recommend that you make the requested funds available by signing the enclosed letter to the Speaker of the House of Representatives.

Sincerely,



Sylvia M. Mathews
Deputy Director

Enclosure

**EMERGENCY APPROPRIATIONS: AMOUNTS PREVIOUSLY APPROPRIATED
MADE AVAILABLE BY THE PRESIDENT**

YEAR 2000 (Y2K) CONVERSION

Department of the Interior

Working capital fund \$6,456,000

Department of Labor

Departmental management, Salaries and expenses \$1,925,000

Department of the Treasury

Internal Revenue Service, Information systems \$41,860,500

District of Columbia

Federal support for economic development
and management reforms in the District \$22,309,649

Funds made available would: allow the Department of the Interior to continue Y2K remediation efforts in Guam and for Tribes that have contract/compact agreements with the Bureau of Indian Affairs; enable the Department of Labor to provide technical assistance to the District of Columbia to complete conversion of its unemployment insurance system; be used by the Internal Revenue Service to replace desktop and laptop computers that cannot support new Y2K-compliant software and support service-wide upgrades to telecommunications and software needed to accommodate Y2K-compliant systems; and, support eight District of Columbia mission critical agencies' efforts to remediate systems, replace non-compliant hardware, and develop and refine contingency plans.



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

DEPUTY DIRECTOR

August 23, 1999

The Honorable C.W. Bill Young
Chairman
Committee on Appropriations
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

In accordance with provisions of Public Law 105-277, the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999, I am transmitting a proposed allocation and plan for Year 2000 (Y2K) compliance activities of the Departments of the Interior, Labor, the Treasury, and the District of Columbia. As you know, P.L. 105-277 stipulates that, for purposes of emergency appropriations relating to Y2K, the District of Columbia shall be considered an agency of the U.S. Government. This allocation and plan revises allocations and plans for these agencies submitted previously.

The allocation of contingent emergency funding required at this time is displayed on the enclosed table. In addition, the agencies have been directed to provide detailed justification materials for these requirements to the committees specified in P.L. 105-277, as well as to the relevant appropriations subcommittees, concurrent with the transmittal of this allocation and plan. OMB will continue to monitor agency requirements and will address additional funding needs as they emerge.

For the four agencies listed above, the following constitutes the agency plan as required by P.L. 105-277:

- C the OMB Quarterly Report; and,
- C the justification materials provided by the agency concurrent with the transmittal of this letter, as well as any justification materials provided with previous transmittals.

Thank you for your cooperation on this important issue.

Sincerely,

A handwritten signature in black ink, appearing to read "Sylvia M. Mathews". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Sylvia M. Mathews
Deputy Director

Enclosure

Identical Letter Sent To:

The Honorable C.W. Bill Young
The Honorable David R. Obey
The Honorable Ted Stevens
The Honorable Robert C. Byrd
The Honorable Robert F. Bennett
The Honorable Christopher J. Dodd
The Honorable F. James Sensenbrenner, Jr.
The Honorable Ralph M. Hall
The Honorable Dan Burton
The Honorable Henry A. Waxman
The Honorable Stephen Horn
The Honorable James Turner