

THE WHITE HOUSE

WASHINGTON

July 19, 1999

The Speaker of the

House of Representatives

Sir:

I ask the Congress to consider the enclosed requests for FY 2000 budget amendments for the Departments of Defense, Health and Human Services, and Justice and for International Assistance Programs. In aggregate, the FY 2000 Budget totals would not be affected by these requests.

The amendments include a proposal for a \$100 million increase in the U.S. Government investment in the global battle against AIDS, primarily in Sub-Saharan Africa, to assist in addressing the magnitude of this rapidly escalating pandemic. This prevention-focused, cross-agency initiative would leverage the respective strengths of the Department of Health and Human Services, the Agency for International Development, and the Department of Defense in containing the spread of HIV/AIDS, providing home and community-based care to infected persons, and caring for children orphaned by the disease.

In addition to these AIDS-related proposals, a budget amendment is included that proposes to reimburse Guam, the Commonwealth of the Northern Mariana Islands, and the Department of Justice for the costs of repatriating smuggled aliens.

The details of these requests, which are fully offset by proposals included in this transmittal, are set forth in the enclosed letter from the Director of the Office of Management and Budget. I concur with his comments and observations.

Sincerely,

Handwritten signature of William J. Clinton in black ink.

Enclosure



THE DIRECTOR

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

July 19, 1999

The President

The White House

Submitted for your consideration are budget amendments for FY 2000 for the Departments of Defense, Health and Human Services, and Justice and for International Assistance Programs. The amendments include a proposal for a \$100 million increase in the U.S. Government investment in the global battle against AIDS. These proposals would not increase the proposed budget totals.

As described below and in more detail in the enclosures, the proposals include the following:

Department of Defense

- An increase of \$10 million is requested for the Defense Health Program. These funds will support the development of a Department of Defense program to conduct HIV prevention education activities in conjunction with DoD's ongoing training, exercises, and humanitarian assistance activities with African militaries.

Department of Health and Human Services

- An increase of \$35 million to your request for the Centers for Disease Control and Prevention (CDC) will help to address HIV/AIDS outside the United States. Of this amount, \$13 million will enhance surveillance capabilities in eight to nine countries to track the spread of HIV infection, AIDS, and the effects of interventions in order to target programs appropriately. An additional \$13 million would be used to provide technical assistance and training to host country nationals for development of HIV prevention activities, including mass education, counseling and testing, and blood supply screening. CDC efforts would be focused on expanding the existing knowledge base in 12 countries. The

remaining \$9 million would enable CDC to provide technical assistance and training as countries develop home and community-based treatment for sexually transmitted diseases and opportunistic infections to HIV-infected individuals.

International Assistance Programs

- An increase of \$45 million for the Child Survival and Disease Programs within the U.S. Agency for International Development (USAID) is requested to support your AIDS initiative focused primarily on Sub-Saharan Africa. Of the funds requested in this amendment, \$25 million will be used to implement strategies to slow the spread of HIV infection through mass education efforts, condom distribution, and interventions to reduce mother-to-child transmission; \$6 million will assist in strengthening the host countries' ability to implement their own AIDS/HIV interventions by focusing on government, private sector, non-governmental organizations, and research institution capacity; and, \$14 million will enable USAID to provide medical and social services to HIV-infected individuals, including treatment of sexually transmitted diseases, opportunistic infections, and tuberculosis.
- A reprogramming of \$10 million in P.L. 480 Food Aid will be used to assist families and communities in caring for affected children/orphans through food assistance. This assistance will also allow a significant number of AIDS orphans to remain with their extended families and in their communities.

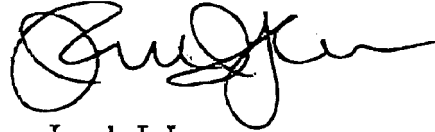
The increased funding is offset by reduction proposals transmitted in this package, including the following:

- sales from the National Defense Stockpile Transaction Fund, resulting in receipts in FY 2000 of \$10 million;
- a \$30 million reduction in unobligated balances in the Buildings and Facilities Program Account in the National Institutes of Health of the Department of Health and Human Services;
- a \$40 million reduction in unobligated balances in the Diversion Control Fee Account in the Drug Enforcement Administration of the Department of Justice;
- a \$10 million reduction in obligated and/or unobligated balances in the Sustainable Development Assistance Program in the U.S. Agency for International Development.

In addition to the proposals described above, this package of amendments includes a proposal to reimburse Guam, the Commonwealth of the Northern Mariana Islands, and the Department of Justice for the costs of repatriating smuggled aliens.

I have carefully reviewed these proposals and am satisfied that they are necessary at this time. Therefore, I join the heads of the affected agencies in recommending that you transmit these proposals to the Congress.

Sincerely,

A handwritten signature in black ink, appearing to read "Jacob J. Lew". The signature is fluid and cursive, with a large initial "J" and a long horizontal stroke extending to the right.

Jacob J. Lew
Director

Enclosures

Agency: DEPARTMENT OF DEFENSE – MILITARY
Bureau: REVOLVING AND MANAGEMENT FUNDS
Heading: Defense Working Capital Fund
FY 2000 Budget
Appendix Page: 313
FY 2000
Pending Request: \$90,344,000
Proposed Amendment: Language
Revised Request: \$90,344,000

(In the appropriations language under the above heading, insert immediately after "\$393,500,000" the following: excluding those attributable to section 8060 of this Act.)

The pending budget request would permit revenue from National Defense Stockpile Transaction Fund sales in excess of \$393.5 million to be transferred to the Defense Working Capital Funds. This amendment would exclude Stockpile revenue from sales authorized by section 8060 from transfer to the Defense Working Capital Fund in order that the additional \$10 million in revenue from section 8060 Stockpile sales may be used to offset DoD HIV prevention education activities with African militaries.

Agency: DEPARTMENT OF DEFENSE – MILITARY
Heading: GENERAL PROVISIONS–DEPARTMENT OF DEFENSE
FY 2000 Budget
Appendix Page: 341
FY 2000
Pending Request: --
Proposed Amendment: -\$10,000,000
Revised Request: -\$10,000,000

(In the appropriations language under the above heading, insert the following new section immediately after section 8059.)

Sec. 8060. DISPOSAL OF ADDITIONAL MATERIALS.– (a) The President shall dispose of materials contained in the National Defense Stockpile Transaction Fund in addition to those otherwise authorized so as to result in additional receipts in the amount of \$10,000,000 by September 30, 2000.

(b) The Secretary of Defense, as the President’s designee, shall determine which additional materials will be available for sale.

(c) The authority provided in subsection (a) is in addition to, and shall not affect, any other disposal authority provided by law.

(d) Upon enactment of this Act, the Secretary of Defense shall transfer \$10,000,000 in balances from the National Defense Stockpile Transaction Fund to the “Defense Health Program” account. Such funds shall be available for HIV prevention educational activities undertaken in conjunction with U.S. military training, exercises, and humanitarian assistance activities conducted in African nations.

This new general provision would provide for additional sales of materials from the National Defense Stockpile Transaction Fund and for the transfer of \$10 million in balances from the Defense Stockpile to the Defense Health Program account, Operation and Maintenance. Balances transferred to the Defense Health Program would be used to conduct HIV prevention and education activities as part of DoD’s ongoing training activities with African militaries.

This proposal would result in receipts in FY 2000 of \$10 million, which would offset the additional spending in the Defense Health Program account.

Agency: DEPARTMENT OF HEALTH AND HUMAN SERVICES
Bureau: CENTERS FOR DISEASE CONTROL AND PREVENTION
Heading: Disease Control, Research, and Training
FY 2000 Budget Appendix Page: 437
FY 2000 Pending Request: \$2,769,440,000
Proposed Amendment: \$35,000,000
Revised Request: \$2,804,440,000

(In the appropriations language under the above heading, delete "\$2,769,440,000" and substitute \$2,804,444,000, of which \$35,000,000 shall be available for HIV prevention, surveillance, and treatment activities in Africa, and .)

This proposal would increase FY 2000 spending on HIV prevention, surveillance, and treatment activities in Africa. Specifically, the Centers for Disease Control and Prevention (CDC) would spend \$13 million to enhance surveillance capabilities in eight to nine countries to track the spread of HIV infection, AIDS, and the effects of interventions in order to target programs appropriately. An additional \$13 million would be used to provide technical assistance and training to host country nationals for development of HIV prevention activities, including mass education, counseling and testing, and blood supply screening. CDC efforts would be focused on expanding the existing knowledge base in 12 countries. The remaining \$9 million would enable CDC to provide technical assistance and training as countries develop home and community-based treatment for sexually transmitted diseases and opportunistic infections to HIV-infected individuals.

This proposal would increase FY 2000 outlays by \$10 million.

Agency: DEPARTMENT OF HEALTH AND HUMAN SERVICES

Bureau: NATIONAL INSTITUTES OF HEALTH

Heading: Building and Facilities

FY 2000 Budget

Appendix Page: 439

FY 2000

Pending Request:

Total Budgetary Resources	\$271,000,000
New Budget Authority	108,000,000
Unobligated balances	123,000,000
Other	40,000,000

Proposed Amendment:

Unobligated balances	-\$30,000,000
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Revised Request:

Total Budgetary Resources	\$241,000,000
New Budget Authority	108,000,000
Unobligated balances	93,000,000
Other	40,000,000

(In the appropriations language under the above heading, insert the language that follows at the end.)

Amounts otherwise available in fiscal year 2000 are reduced by \$30,000,000. In addition, to become available on October 1, 2000, and remain available until expended, not to exceed \$30,000,000.)

This proposal would reduce the amount of resources available for obligation in FY 2000 in the essential safety and health improvement program of NIH's Buildings and Facilities account. The proposal would not change the amounts requested for new budget authority in FY 2000 nor would it affect new and/or ongoing construction and renovation projects. The reductions are derived from resources appropriated in previous years that are available for obligation in FY 2000. Though the essential safety and health improvement program is an important part of NIH's research mission, the activities supported by these resources can be delayed until FY 2001 without serious programmatic impact. The budget amendment requests advance appropriations for these resources to ensure that the program can continue essential safety and health improvement activities.

This proposal would decrease FY 2000 outlays by \$10 million.

Agency: DEPARTMENT OF JUSTICE
Bureau: DRUG ENFORCEMENT ADMINISTRATION
Heading: Diversion Control Fee Account
FY 2000 Budget Appendix Page: 645
FY 2000 Pending Request: --
Proposed Amendment: -\$40,000,000
Revised Request: -\$40,000,000

(Insert the appropriations language that follows under the above heading.)

Amounts otherwise available for obligation in fiscal year 2000 for the Drug Diversion Control Fee Account are reduced by \$40,000,000.

This proposal would reduce the amounts otherwise available for obligation in the Diversion Control Fee Account by \$40.0 million in FY 2000. This reduction in unobligated balances would not impact program operations.

This amendment would decrease FY 2000 outlays by \$30.0 million.

Agency: INTERNATIONAL ASSISTANCE PROGRAMS
Bureau: AGENCY FOR INTERNATIONAL DEVELOPMENT
Heading: Sustainable Development Assistance
FY 2000 Budget
Appendix Page: 995
FY 2000
Pending Request: \$780,444,000
Proposed Amendment: \$0
Revised Request: \$780,444,000

(Under the above heading, insert the following appropriations language as a new paragraph at the end:)

Balances available under this heading are reduced by \$10,000,000.

This proposal would reduce the obligated and/or unobligated balances in the Sustainable Development Assistance Account by \$10 million in FY 2000. This reduction in balances would not impact program operations.

This amendment would decrease FY 2000 outlays by \$710,000.

Agency: INTERNATIONAL ASSISTANCE PROGRAMS
Bureau: AGENCY FOR INTERNATIONAL DEVELOPMENT
Heading: Child Survival and Disease Programs Fund
FY 2000 Budget Appendix Page: 997
FY 2000 Pending Request: \$555,000,000
Proposed Amendment: \$45,000,000
Revised Request: \$600,000,000

(In the appropriations language under the above heading, delete "\$555,000,000" and substitute \$600,000,000.)

An increase in \$45 million for the Child Survival and Disease Account within the U.S. Agency for International Development (USAID) is requested to support a Presidential AIDS initiative focused primarily on Sub-Saharan Africa. Of the funds requested in this amendment, \$25 million will be used to implement strategies to slow the spread of HIV infection through mass education efforts, condom distribution, and interventions to reduce mother-to-child transmission; \$6 million will assist in strengthening the host countries' ability to implement their own AIDS/HIV interventions by focusing on government, private sector, non-governmental organizations, and research institution capacity; and, \$14 million will enable USAID to provide medical and social services to HIV-infected individuals, including treatment of sexually transmitted diseases, opportunistic infections, and tuberculosis.

This amendment would increase FY 2000 outlays by \$3,195,000.

Agency: DEPARTMENT OF JUSTICE
Bureau: OFFICE OF JUSTICE
Heading: Violent Crime Reduction Programs, State and Local Law
Enforcement Assistance
FY 2000 Budget
Appendix Page: 655
FY 2000
Pending Request: \$1,612,000,000

(In the appropriations language section after “shall be for the State Criminal Alien Assistance Program, as authorized by section 242(j) of the Immigration and Nationality Act, as amended” insert “,of which up to \$19,400,000 shall be available to reimburse Guam, the Commonwealth of the Northern Mariana Islands, and the Department of Justice for the costs incurred for detaining and repatriating criminal and non-criminal smuggled aliens”.)

This amendment proposes to use up to \$19,400,000 of the \$500,000,000 requested for the State Criminal Alien Assistance Program (SCAAP) to reimburse Guam, the Commonwealth of the Northern Mariana Islands, and the Department of Justice for the costs of detaining and repatriating smuggled aliens. This funding will be used to reimburse these governments and the Department of Justice for their FY 1999 and FY 2000 detention housing costs. The effect of this amendment is to reduce the amount of funding available for the SCAAP to reimburse other States and localities. It is estimated that the use of SCAAP funds for this purpose will reduce reimbursement by one cent for every dollar claimed.