THE WHITE HOUSE WASHINGTON

August 1, 2008

Dear Madam Speaker:

I ask the Congress to consider the enclosed amendments to my FY 2009 Budget for the Departments of Agriculture, Commerce, Education, Homeland Security, the Interior, Labor, and State, as well as the Environmental Protection Agency. The amounts requested are fully offset by proposed reductions to other accounts.

Overall, the discretionary budget authority proposed in my FY 2009 Budget would not be increased by these proposed requests.

The details of these amendments are set forth in the enclosed letter from the Director of the Office of Management and Budget.

Sincerely,

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The Honorable Nancy Pelosi Speaker of the House of Representatives Washington, D.C. 20515

Estimate No. 7 110th Congress, 2nd Session



THE DIRECTOR

EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET WASHINGTON, D.C. 20503

July 31, 2008

The President The White House

Submitted for your consideration are amendments to your FY 2009 Budget for the Departments of Agriculture, Commerce, Education, Health and Human Services, Homeland Security, the Interior, Labor, and State, as well as the Environmental Protection Agency. These requests include proposed increases to accounts that would be fully offset by proposed cancellations or reductions of funding from lower-priority Federal programs and excess funds. Also included are requests for technical adjustments to amendments previously transmitted to the Congress. Further, the requests include adjustments that reflect necessary appropriations language changes to update your Budget to be consistent with enactment of Pub. L. No. 110-246, the Food, Conservation, and Energy Act of 2008 (the 2008 Farm Bill).

Overall, the discretionary budget authority proposed in your FY 2009 Budget would not be increased by these proposed amendments. As described below and in more detail in the enclosures, the amendments include the following:

Department of Agriculture

\$172.3 million proposed increase for the first year stabilization and development cost associated with a plan to modernize the computer systems of the Farm Service Agency, and for implementation costs resulting from enactment of the 2008 Farm Bill.

\$192.3 million in proposed decreases within the Department to fully offset the Farm Service Agency request, as well as to partially offset other increases proposed in this transmittal.

\$43.0 million proposed additional net decreases in the Department of Agriculture that reflect adjustments made to update the Budget request to be consistent with enactment of the 2008 Farm Bill.

Department of Education

\$50.0 million proposed increase for the Office of Federal Student Aid to ensure sufficient resources to implement student loan purchase authority provided in the Ensuring Continued Access to Student Loans Act of 2008 (Pub. L. No. 110-227); pay for increased servicing costs associated with any increase in Direct Loan volume; to implement the Lender of Last Resort program authorized in the Higher Education Act (20 U.S.C. § 1078(j)); and to conduct an independent audit of the student loan purchase authority.

Department of Commerce

\$13.0 million proposed increase for the National Oceanic and Atmospheric Administration to improve hurricane intensity and track forecasting.

Department of Health and Human Services

\$905.0 million proposed increase for the Public Health and Social Services (PHSSEF) to enhance the Nation's preparedness against a bioterrorist event through the advanced development of priority medical countermeasures and activities that support the distribution and dispensing of medical countermeasures. This funding would also improve the Nation's preparedness in the event of an influenza pandemic.

\$939.8 million reduction within the Department to fully offset the PHSSEF request, as well as to partially offset other increases proposed in this transmittal.

Department of the Interior

\$11.7 million proposed increase to fund remediation efforts within the Naval Oil Shale Reserve 3 in Colorado that would be fully offset by an \$11.7 million proposed decrease of unobligated balances within the Department.

Department of Homeland Security

\$27.0 million proposed increase for the Office of Health Affairs to strengthen the Nation's preparedness against a bioterrorist event through the enhancement of the BioWatch environmental monitoring system. This proposal would be fully offset by a \$27 million reduction with the Department.

Environmental Protection Agency

\$34.8 million increase in total for the Science and Technology and the Hazardous Substance Superfund accounts to address gaps in responding to and recovering from an anthrax attack. These proposed increases would be fully offset by proposed reductions to other accounts in this transmittal.

Other Technical Amendments

Amendments to previously submitted proposals that impact the Departments of Homeland Security, Labor, and State.

Recommendation

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

Sincerely,

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Director

Enclosures

Agency:	DEPARTMENT OF AGRICULTURE
Bureau:	FARM SERVICE AGENCY
Heading:	Salaries and Expenses
FY 2009 Budget Appendix Pages:	105-106
FY 2009 Pending Request:	\$1,188,580,000
Proposed Amendment:	\$172,309,000
Revised Request:	\$1,360,889,000

(In the appropriations language under the above heading, delete "1,188,580,000" and substitute, <u>1,360,889,000</u> and add the following new proviso following the last bracket and before the period:)

<u>Provided further, That of the amounts made available, \$117,309,000 shall be for the first</u> year stabilization and development cost associated with a plan to modernize the computer systems of the Farm Service Agency

This amendment would provide an additional \$172.3 million for the Farm Service Agency (FSA) Salaries and Expenses account. Of this amount, \$117.3 million would be for the first year stabilization and development costs associated with a plan to modernize the FSA computer systems. The remaining \$55.0 million would be used primarily to support additional temporary staff years and information technology requirements associated with new and revised programs in the 2008 Farm Bill (the Food, Conservation, and Energy Act of 2008, Pub. L. No. 110-246).

Agency:	DEPARTMENT OF COMMERCE
Bureau:	NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION
Heading:	Operations, Research, and Facilities
House Document 110-123 Page:	18
FY 2009 Pending Request:	\$2,827,253,000
Proposed Amendment:	\$10,000,000
Revised Request:	\$2,837,253,000

(In the appropriations language under the above heading, delete "\$2,827,253,000" in both the first clause and the third proviso and substitute in both places <u>\$2,837,253,000</u>; delete "\$2,920,253,000" from the third proviso and substitute <u>\$2,930,253,000</u>.)

This amendment would provide an additional \$10 million for the Operations, Research, and Facilities account. These funds would be used to improve hurricane intensity and track forecasting by expanding modeling efforts for the Hurricane Forecast System and the Global Forecast System, as well as by increasing aviation services to collect critical hurricane data.

Agency:	DEPARTMENT OF COMMERCE
Bureau:	NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION
Heading:	Procurement, Acquisition, and Construction
House Document 110-123 Page:	19
FY 2009 Pending Request:	\$1,229,660,000
Proposed Amendment:	\$3,000,000
Revised Request:	\$1,232,660,000

(In the appropriations language under the above heading, delete "\$1,229,660,000" and substitute <u>\$1,232,660,000</u>.)

This amendment would provide an additional \$3 million for the Procurement, Acquisition, and Construction account. The additional funds would be used for leasing additional supercomputing capacity necessary to improve hurricane intensity and track forecasting capabilities.

Agency:	DEPARTMENT OF EDUCATION
Bureau:	OFFICE OF FEDERAL STUDENT AID
Heading:	Student Aid Administration
FY 2009 Budget Appendix Page:	359
FY 2009 Pending Request:	\$714,000,000
Proposed Amendment:	\$50,000,000
Revised Request:	\$764,000,000

(In the appropriations language under the above heading, delete "\$714,000,000" and substitute <u>\$764,000,000</u>, and insert the following immediately before the concluding period:)

: Provided, That these funds are available for an independent audit of programs and activities authorized under Pub. L. No. 110-227

This amendment would provide an additional \$50 million for the Office of Federal Student Aid, Student Aid Administration account. This increase would ensure sufficient resources are available for the following purposes:

- To implement the student loan purchase authority included in the Ensuring Continued Access to Student Loans Act of 2008 (Pub. L. No. 110-227);
- To pay for increased servicing costs associated with any increase in Direct Loan volume in both the 2008-2009 and 2009-2010 academic years;
- To implement the Lender of Last Resort program authorized under section 428(j) of the Higher Education Act (20 U.S.C. § 1078(j)); and
- To conduct an independent audit of the student loan purchase authority authorized under Pub .L. No. 110-227.

Agency:	DEPARTMENT OF THE INTERIOR
Bureau:	BUREAU OF LAND MANAGEMENT
Heading:	Use of Receipts from Mineral Leasing Activities on Certain Naval Oil Shale Reserves
FY 2009 Budget Appendix Page:	603
FY 2009 Pending Request:	-\$24,700,000
Proposed Amendment:	\$11,704,000
Revised Request:	-\$12,996,000

(In the appropriations language under the above heading, delete "\$24,700,000" and substitute <u>\$12,996,000</u>.)

This amendment would increase the amount of unobligated balances available to this account by \$11.7 million. These balances were previously proposed for cancellation in the FY 2009 Budget.

Pursuant to section 7439 of title 10, United States Code, a special account was established, in addition to other purposes, to fund the environmental investigation and restoration of a site within the Naval Oil Shale Reserve Number 3 in Colorado. The fund collects certain oil and gas leasing receipts and makes some of those funds available, without further appropriation. The 2009 Budget proposed to cancel \$24.7 million in appropriated balances that were not expected to be needed to complete the required cleanup authorized by the Act. Cost estimates for the restoration have since increased, so this amendment would reduce the amount to be cancelled from the fund.

Agency:	DEPARTMENT OF THE INTERIOR
Bureau:	BUREAU OF LAND MANAGEMENT
Heading:	Abandoned Mine Reclamation Fund
FY 2009 Budget Appendix Page:	616
FY 2009 Pending Request:	\$30,811,000
Proposed Amendment:	-\$11,704,000
Revised Request:	\$19,107,000

(In the appropriations language under the above heading, insert the following new paragraph immediately after the concluding period:)

Of the unobligated balances available under this heading, \$11,704,000 are hereby permanently cancelled.

This amendment would permanently cancel \$11.7 million of unobligated balances in the Abandoned Mine Reclamation Fund account for coal reclamation grants.

The Surface Mining Control and Reclamation Act (SMCRA) Amendments of 2006 (Title II, Pub. L. No. 109-432, 120 Stat. 3006) significantly increased the amount of mandatory funds provided to States for coal reclamation, beginning in 2008 and increasing in 2009 and future years. As a result, the FY 2009 Budget proposes to terminate the discretionary coal reclamation grant program, the purposes of which can be accomplished with the SMCRA mandatory funds. This amendment would reduce by about half the amount of carryover balances that would be available to States as they transition from discretionary to mandatory funding.

The \$11.7 million decrease would be used to fully offset the proposed increase within the Bureau of Land Management, as described in an accompanying amendment. Taken together, the budget authority requested in the FY 2009 Budget would not be affected.

Agency:	DEPARTMENT OF AGRICULTURE
Heading:	General Provisions
FY 2009 Budget Appendix Page:	199
FY 2009 Pending Request:	
Proposed Amendment:	Language
Revised Request:	

(In the appropriations language under the above heading, delete the appropriations language in section 710 in its entirety and substitute the following:)

<u>None of the funds appropriated or otherwise made available by this or any other Act shall</u> <u>be used to pay the salaries and expenses of personnel to carry out the following: (a) an</u> <u>Environmental Quality Incentives Program authorized by 16 U.S.C. 3839aa, et seq., as amended</u> <u>by subtitle F of Title II of the Food, Conservation, and Energy Act of 2008 (Pub. L. No. 110-</u> <u>246), in excess of \$1,050,000,000. Funds exceeding this amount for fiscal year 2009 are hereby</u> <u>permanently cancelled; (b) an Agricultural Management Assistance Program authorized by</u> <u>section 524 of the Federal Crop Insurance Act (7 U.S.C. § 1524), as amended by the Food,</u> <u>Conservation, and Energy Act of 2008 (Pub. L. No. 110-246). \$15,000,000 of the funds</u> <u>available for this program for fiscal year 2009 are hereby permanently cancelled.</u>

This amendment would update appropriations language in the pending request to reflect enactment of the 2008 Farm Bill (the Food, Conservation, and Energy Act of 2008, Pub. L. No. 110-246). This amendment clarifies the effect that this most recent Farm Bill has on the FY 2009 Budget for three programs: the Environmental Quality Incentives Program, the Conservation Security Program, and Agricultural Management Assistance.

Environmental Quality Incentives Program (EQIP). Due to the \$1,337 million provided in FY 2009 for EQIP in the 2008 Farm Bill, the proposed \$1,050 million limitation and complementary cancellation above in subsection 710(a) would yield a total savings of \$287 million in FY 2009. This is \$67 million in additional savings compared to what was assumed for the same language in the Budget request. The 2002 Farm Bill (the Farm Security and Rural Investment Act of 2002, Pub. L. No. 107-171) that was current law at the time the Budget was released in February 2008 had appropriated only \$1,270 million in FY 2009 for EQIP.

Conservation Security Program (CSP). Section 710(b) of the pending request has been proposed for deletion.

Because the 2008 Farm Bill does not provide any new funding for CSP in FY 2009, this cancellation would no longer yield the savings that was assumed in the pending request.

Agricultural Management Assistance. A \$10 million proposed cancellation of all FY 2009 funding available for this program was included in the pending request. The 2008 Farm Bill increased the funding for such assistance in FY 2009 to \$15 million. In addition to the \$10 million that was already assumed to be cancelled in the pending request, this amendment would permanently cancel the \$5 million increase in funding.

This amendment would increase net budget authority in the request by \$12 million. This requested increase in budget authority would be fully offset by proposed reductions to other accounts, as described in the accompanying amendments. Taken together, the budget authority requested in the FY 2009 Budget would not be affected.

Agency:	DEPARTMENT OF AGRICULTURE
Heading:	General Provisions
House Document 110-124 Page:	4
FY 2009 Pending Request:	
Proposed Amendment:	Language
Revised Request:	

(In the appropriations language under the above heading, delete the appropriations language in section 713 in its entirety and substitute the following:)

Of the funding available under section 32 of the Act of August 24, 1935, as amended by section 14222 of the Food, Conservation, and Energy Act of 2008 (Pub. L. No. 110-246), \$100,000,000 are hereby permanently cancelled. In addition, section 14222(b)(2)(A)(i) of the Food, Conservation, and Energy Act of 2008 (Pub. L. No. 110-246) is amended by striking "\$1,173,000,000" and inserting "\$1,073,000,000".

This amendment would update appropriations language in the pending request to reflect enactment of the 2008 Farm Bill (the Food, Conservation, and Energy Act of 2008, Pub. L. No. 110-246). This amendment clarifies the effect that this most recent Farm Bill has on the FY 2009 Budget for the Funds for Strengthening Markets, Income, and Supply (Section 32) program.

Section 14222(b)(2) of the 2008 Farm Bill sets a maximum amount for the Section 32 program for the first time. Since the pending request does not lower the maximum amount available for the program, it will not result in budget authority savings. This proposed budget amendment not only would permanently cancel \$100 million in funding, but would also lower the maximum amount in section 14222(b)(2)(A)(i). In addition, this amendment would change the cancellation amount from the \$293 million proposed in the Budget to \$100 million.

The pending request for the Section 32 program also appropriated \$49 million in discretionary budget authority for administrative expenses from funds available under section 32, including \$20 million for replacement of a system to support commodity purchases and \$17 million for formulation and administration of marketing agreements and orders. OMB had assumed that a portion of this funding would be scored as a mandatory change in a discretionary appropriations bill. Because that appropriation will now be considered as part of

the funding available under the maximum amount in section 14222(b)(2)(A)(i), this will result in \$12 million less in discretionary appropriations in FY 2009.

This amendment would decrease net budget authority in the request by \$55 million. Taken together with other proposals in this transmittal, as described in the accompanying amendments, the budget authority requested in the FY 2009 Budget would not be affected.

DEPARTMENT OF AGRICULTURE
General Provisions
9
Language

(In the appropriations language under the above heading, delete "(Pub. L. No. 110-234)" in the first sentence in section 718 and substitute (Pub. L. No. 110-246) and add new sections 719-730 after section 718.)

This request would amend the Public Law citation in section 718 to correctly reflect the most recently enacted version of the Food, Conservation, and Energy Act of 2008. Pursuant to section 4 of Pub. L. No. 110-246, Pub. L. No. 110-234 was repealed effective on the date of enactment of that Act.

It would also add the following new sections:

Sec. 719. No funds shall be used to pay salaries and expenses of the Department of Agriculture to carry out or administer the program authorized by section 1240Q of the Food Security Act of 1985 (16 U.S.C. § 3839bb et seq.), as amended by section 2605 of the Food, Conservation, and Energy Act of 2008 (Pub. L. No. 110-246). Of the funds made available for this program for fiscal year 2009, \$23,000,000 are hereby permanently cancelled.

This amendment would permanently cancel \$23 million in FY 2009 funding for the newly created Chesapeake Bay Watershed Program. The program provides funding for producers to implement erosion control, nutrient control, and habitat conservation measures in the Chesapeake Bay Watershed. Existing Federal conservation programs, such as the Environmental Quality Incentives Program, which received slightly over \$1.3 billion for FY 2009 in the recently enacted 2008 Farm Bill, already address these needs. This proposed reduction would eliminate the FY 2009 funding for the program.

Sec. 720. No funds shall be used to pay salaries and expenses of the Department of Agriculture to carry out or administer the program authorized by section 1240R of the Food Security Act of 1985 (16 U.S.C. § 3839bb et seq.), as amended by section 2606 of the Food, Conservation, and Energy Act of 2008 (Pub. L. No. 110-246). Of the funds made available for this program for fiscal year 2009, \$50,000,000 are hereby permanently cancelled.

This amendment would permanently cancel \$50 million in FY 2009 funding for the newly created Voluntary Public Access and Habitat Incentives Program, which encourages private landowners to open their lands to hunting. This program duplicates existing State programs which provide the very same service. Over 20 States already have such a program in place, and such a program is more appropriately administered and funded at the State and local level. This proposed reduction would eliminate funding for the program.

Sec. 721. Of the funds made available for fiscal year 2009 by section 1241(a)(4) of the Food Security Act of 1985 (16 U.S.C. § 3841(a)(4)), as amended by section 2701(d) of subtitle H of title II of the Food, Conservation, and Energy Act of 2008 (Pub. L. No. 110-246), \$24,000,000 are hereby permanently cancelled.

This amendment would permanently cancel \$24 million in FY 2009 funding for the Farmland Protection Program. This program provides matching funds to help purchase development rights to keep productive farm and ranchland in agricultural uses. This proposed reduction would bring the program in FY 2009 to \$97 million, which is its historical level of appropriated funds.

Sec. 722. No funds shall be used to pay salaries and expenses of the Department of Agriculture to carry out or administer the program authorized by section 379E of subtitle D of the Consolidated Farm and Rural Development Act (7 U.S.C. 1981 et seq.), as amended by 6022 of the Food, Conservation, and Energy Act of 2008 (Pub. L. No. 110-246). Of the funds made available for this program for fiscal year 2009, \$4,000,000 are hereby permanently cancelled.

This amendment would permanently cancel \$4 million of FY 2009 funding made available for the Rural Microentrepreneur Assistance Program in the recently enacted 2008 Farm Bill. The Rural Business Service administers other programs that provide grant and loan assistance to small businesses, making this program redundant. This proposed reduction would eliminate the FY 2009 funding for the program.

Sec. 723. Of the funds made available for fiscal year 2009 by section 231(b)(7) of the Agricultural Risk Protection Act of 2000 (7 U.S.C. § 1621 note; Pub. L. No. 106-244), as amended by section 6202(b)(2) of the Food, Conservation, and Energy Act of 2008 (Pub. L. No. 110-246), \$12,318,000 are hereby permanently cancelled.

This amendment would permanently cancel more than \$12 million in FY 2009 funding for the Value-Added Agricultural Market Development Program which provides grants to producers to create value added products. The program would have almost \$3 million in funding available in FY 2009. Typically, businesses helped by these sorts of development programs record a three year survival rate at a national average of 60 percent. This poorly performing program, however, does not come close to that national average, with a three year survival rate of only 35 percent.

Sec. 724. Of the funds made available for fiscal year 2009 by section 1672B(f) of the Food, Agricultural, Conservation, and Trade Act of 1990 (7 U.S.C. § 5925b), as amended by

section 7206(a)(2) of the Food, Conservation, and Energy Act of 2008 (Pub. L. No. 110-246), \$8,000,000 are hereby permanently cancelled.

This amendment would permanently cancel \$8 million in FY 2009 funding for the Organic Agriculture Research and Extension Initiative. The amendment would leave \$10 million for this program, more than three times the \$3 million available for Organic Research and Extension in FY 2008 under the FY 2002 Farm Bill (the Farm Security and Rural Investment Act of 2002, Pub. L. No. 107-171).

Sec. 725. Of the funds made available for fiscal year 2009 by section 508 of the Healthy Forests Restoration Act of 2003 (16 U.S.C. § 6578), as amended by section 8205(c) of the Food, Conservation, and Energy Act of 2008 (Pub. L. No. 110-246), \$4,000,000 are hereby permanently cancelled.

This amendment would permanently cancel \$4 million of the nearly \$10 million of FY 2009 funding made available for the Healthy Forests Reserve program in the recently enacted 2008 Farm Bill. This program has never received more than \$3 million in annual appropriations, and has significant outstanding balances.

Sec. 726. Of the funds made available for fiscal year 2009 by section 9004 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. § 8101 et seq.), as amended by section 9001 of the Food, Conservation, and Energy Act of 2008 (Pub. L. No. 110-246), \$10,000,000 are hereby permanently cancelled.

This amendment would permanently cancel \$10 million of FY 2009 funding for the newly created Repowering Assistance Program. The program, which provides payments to biorefineries to replace fossil fuel used to produce heat or power to operate existing biorefineries with renewable biomass energy sources. This program is similar in purpose to other Rural Development programs, making it redundant. This proposed reduction would leave \$25 million for the program in FY 2009.

Sec. 727. Of the funds made available for fiscal year 2009 by section 9007 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. § 8101 et seq.), as amended by section 9001 of the Food, Conservation, and Energy Act of 2008 (Pub. L. No. 110-246), \$6,000,000 are hereby permanently cancelled.

This amendment would permanently cancel \$6 million in FY 2009 funding for the Rural Energy for America Program, which was once part of the renewable energy/energy efficiency grant program. The program focuses on helping rural businesses obtain energy efficiencies. Funding for this program in the recently enacted 2008 Farm Bill, is \$5 million more than the FY 2009 Budget request. This proposed reduction would leave \$49 million for FY 2009, approximately double the typical loan and grant volume for this program. The agency is not expected to obligate the full level of funds in FY 2009.

Sec. 728. Of the funds made available for fiscal year 2009 by section 101(j) of the Specialty Crops Competitiveness Act of 2004 (Pub. L. No. 108-465), as amended by section

10109(c)(4) of the Food, Conservation, and Energy Act of 2008 (Pub. L. No. 110-246), \$34,000,000 are hereby permanently cancelled.

This amendment would permanently cancel \$34 million of FY 2009 funding made available for the Specialty Crop Block Grant Program in the recently enacted 2008 Farm Bill (the Food, Conservation, and Energy Act of 2008, Pub. L. No. 110-246). The block grant program does not effectively target assistance for specialty crops and potentially overlaps with existing Sec. 32 and Food and Nutrition Service programs. This proposed reduction would leave \$15 million for the program in FY 2009.

Sec. 729. No funds shall be used to pay salaries and expenses of the Department of Agriculture to carry out or administer the program authorized by section 420(e)(1) of the Plant Protection Act (7 U.S.C. § 7711 et seq.), as amended by section 10201(a) of the Food, Conservation, and Energy Act of 2008 (Pub. L. No. 110-246). Of the funds made available for fiscal year 2009, \$12,000,000 are hereby permanently cancelled.

This amendment would permanently cancel \$12 million in FY 2009 funding for Plant Pest and Disease Management and Disaster Prevention. Funding for pest detection and surveillance is and should continue to be made available through the discretionary appropriation to the Animal and Plant Health Inspection Service under current budget ceilings. This proposed reduction would eliminate the FY 2009 funding for the program.

Sec. 730. No funds shall be used to pay salaries and expenses of the Department of Agriculture to carry out or administer the program authorized by section 10202(e) of the Food, Conservation, and Energy Act of 2008 (Pub. L. No. 110-246). Of the funds made available for fiscal year 2009, \$5,000,000 are hereby permanently cancelled.

This amendment would permanently cancel \$5 million of FY 2009 funding for the National Clean Plant Network. Funding for this program is more appropriately made available through the discretionary appropriations to the Animal and Plant Health Inspection Service under current budget ceilings. This proposed reduction would eliminate the FY 2009 funding for the program.

The total decreases of more than \$192 million provided by this amendment would partially offset the proposed increases described in the accompanying amendments. Taken together, the budget authority requested in the FY 2009 Budget would not be affected.

Agency:	DEPARTMENT OF COMMERCE
Heading:	General Provisions – Department of Commerce
House Document 110-123 Page:	22
FY 2009 Pending Request:	
Proposed Amendment:	Language
Revised Request:	

(In the appropriations language under the above heading, delete "(Pub. L. No. 110-234)" in section 107 and substitute (Pub. L. No. 110-246).)

This request would amend the Public Law citation to correctly reflect the most recently enacted version of the Food, Conservation, and Energy Act of 2008. Pursuant to section 4 of Pub. L. No. 110-246, Pub. L. No. 110-234 was repealed effective on the date of enactment of that Act.

Agency:	DEPARTMENT OF THE INTERIOR
Bureau:	BUREAU OF RECLAMATION
Heading:	Water and Related Resources
House Document 110-123 Page:	25
FY 2009 Pending Request:	
Proposed Amendment:	Language
Revised Request:	

(In the appropriations language under the above heading, delete "(Pub. L. No. 110-234)" in the last proviso and substitute (Pub. L. No. 110-246).)

This request would amend the Public Law citation to correctly reflect the most recently enacted version of the Food, Conservation, and Energy Act of 2008. Pursuant to section 4 of Pub. L. No. 110-246, Pub. L. No. 110-234 was repealed effective on the date of enactment of that Act.

Agency:	DEPARTMENT OF HOMELAND SECURITY
Bureau:	CITIZENSHIP AND IMMIGRATION SERVICES
Heading:	United States Citizenship and Immigration Services
FY 2009 Budget Appendix Pages:	480-481
FY 2009 Pending Request:	
Proposed Amendment:	Language
Revised Request:	

(In the appropriations language under the above heading, insert the following new paragraph before the opening parenthesis of the bill citation:)

Of the unobligated funds collected pursuant to section 286(v) of the Immigration and Nationality Act (8 U.S.C. § 1356(v)), \$34,000,000 are hereby permanently cancelled.

This amendment would reduce the pending request for the U.S. Citizenship and Immigration Services (USCIS) account by permanently cancelling \$34 million in funding. This funding will become available in this account at the beginning of FY 2009 as a result of a \$102 million temporary rescission in the FY 2008 appropriation in the Department of Labor's Employment Standards Administration (ESA) Salaries and Expenses account.

The cancellation that was contained in the budget amendment that was transmitted to the Congress on June 9, 2008 (H.Doc. 110-123) assumed that all of the \$102 million rescission of funds would become available for obligation by ESA in FY 2009. In fact, only one third (\$34 million) of these funds will become available to that account. In accordance with the availability of funds provided by section 286(v) of the Immigration and Nationality Act (8 U.S.C. § 1356(v)), \$68 million (\$34 million each) will also become available to Diplomatic and Consular Programs in the Department of State and to USCIS.

This request would cancel all of the funding that is newly available to the Department of Homeland Security in FY 2009 as a result of the original temporary rescission. The request would have no net effect on the balances available to USCIS from Fraud Prevention and Detection fees prior to the addition of the \$34 million in temporarily rescinded balances. The \$34 million decrease would partially offset the proposed increases described in the budget amendment transmitted to the Congress on June 9, 2008. Taken together with other proposals in that transmittal, as well as proposals in this transmittal that cancel the \$34 million from Diplomatic and Consular Programs in the Department of State and the revised cancellation of \$12 million from the ESA Salaries and Expenses account in the Department of Labor, the budget authority requested in the FY 2009 Budget would not be affected.

Agency:	DEPARTMENT OF LABOR
Bureau:	EMPLOYMENT STANDARDS ADMINISTRATION
Heading:	Salaries and Expenses
House Document 110-123 Page:	26
FY 2009 Pending Request:	
Proposed Amendment:	Language
Revised Request:	

(In the appropriations language under the above heading, delete "\$110,000,000" from the second paragraph and substitute <u>\$42,000,000</u>.)

This amendment would reduce the pending \$110 million cancellation from the Employment Standards Administration (ESA), Salaries and Expenses account by \$68 million.

The FY 2008 appropriation temporarily rescinded \$102 million from this account. The cancellation that was contained in the budget amendment that was transmitted to the Congress on June 9, 2008 (H.Doc. 110-123) assumed that all of these funds would become available for obligation by ESA in FY 2009. In fact, only one third (\$34 million) of these funds will become available to this account. In accordance with the availability of funds provided by section 286(v) of the Immigration and Nationality Act (8 U.S.C. § 1356(v)), \$68 million (\$34 million each) will also become available to Citizenship and Immigration Services in the Department of Homeland Security and Diplomatic and Consular Programs in the Department of State.

This request would cancel \$12 million of the \$34 million in funding that will become available in the Department of Labor in FY 2009. The \$12 million decrease would partially offset the proposed increases described in the budget amendment transmitted to the Congress on June 9, 2008. Taken together with other amendments in that transmittal, as well as amendments in this transmittal that cancel the \$34 million each from Citizenship and Immigration Services in the Department of Homeland Security and Diplomatic and Consular Programs in the Department of State, the budget authority requested in the FY 2009 Budget would not be affected.

Agency:	DEPARTMENT OF STATE
Bureau:	ADMINISTRATION OF FOREIGN AFFAIRS
Heading:	Diplomatic and Consular Programs
FY 2009 Budget Appendix Page:	769
FY 2009 Pending Request:	
Proposed Amendment:	Language
Revised Request:	

(In the appropriations language under the above heading, insert the following new paragraph before the opening parenthesis of the bill citation:)

Of the unobligated funds collected pursuant to section 286(v) of the Immigration and Nationality Act (8 U.S.C. § 1356(v)), \$34,000,000 are hereby permanently cancelled.

This amendment would reduce the pending request for the Diplomatic and Consular Programs (D&CP) account by cancelling \$34 million in funding. This funding will become available in this account at the beginning of FY 2009 as a result of a \$102 million temporary rescission in the FY 2008 appropriation in the Department of Labor's Employment Standards Administration (ESA) Salaries and Expenses account.

The cancellation that was contained in the budget amendment that was transmitted to the Congress on June 9, 2008 (H.Doc. 110-123) assumed that all of the \$102 million rescission of funds would become available for obligation by ESA in FY 2009. In fact, only one third (\$34 million) of these funds will become available to that account. In accordance with the availability of funds provided by section 286(v) of the Immigration and Nationality Act (8 U.S.C. § 1356(v)), \$68 million (\$34 million each) will also become available to Citizenship and Immigration Services in the Department of Homeland Security and to D&CP.

This request would cancel all of the funding that is newly available to the Department of State in FY 2009 as a result of the original temporary rescission. The request would have no net effect on the balances available to D&CP from Fraud Prevention and Detection fees prior to the addition of the \$34 million in temporarily rescinded balances. The \$34 million decrease would partially offset the proposed increases described in the budget amendment transmitted to the Congress on June 9, 2008. Taken together with other amendments in that transmittal, as well as amendments in this transmittal that cancel the \$34 million from Citizenship and Immigration Services in the Department of Homeland Security and the revised cancellation of \$12 million from the ESA Salaries and Expenses account in the Department of Labor, the budget authority requested in the FY 2009 Budget would not be affected.

Agency:	DEPARTMENT OF HEALTH AND HUMAN SERVICES
Bureau:	DEPARTMENTAL MANAGEMENT
Heading:	Public Health and Social Services Emergency Fund
FY 2009 Budget Appendix Page:	466
FY 2009 Pending Request:	\$1,395,831,000
Proposed Amendment:	\$ 905,000,000
Revised Request:	\$2,300,831,000

(In the appropriations language under the above heading, (1) delete "\$10,740,000" in the first paragraph and substitute \$1,352,740,000; (2) delete "and of which \$275,000,000" in the first paragraph and substitute of which \$748,000,000; (3) delete "\$585,091,000, of which \$507,000,000" from the second paragraph and substitute \$948,091,000, of which \$870,000,000; and (4) insert the following new language immediately before the period at the end of the first paragraph:)

, and of which \$50,000,000 to remain available until September 30, 2010, to support the delivery of medical countermeasures: Provided, That of the amount made available herein for the delivery of medical countermeasures, up to \$20,000,000 may be transferred to the U.S. Postal Service to support the delivery of medical countermeasures

This amendment would provide an additional \$905 million for the Public Health and Social Services Emergency Fund. This proposed funding would be used to enhance the Nation's preparedness against a bioterrorist event through the advanced development of priority medical countermeasures and activities that support the distribution and dispensing of medical countermeasures. This funding would also improve the Nation's preparedness in the event of an influenza pandemic.

Agency:	DEPARTMENT OF HOMELAND SECURITY
Bureau:	NATIONAL PROTECTION AND PROGRAMS DIRECTORATE
Heading:	Office of Health Affairs
FY 2009 Budget Appendix Page:	513
FY 2009 Pending Request:	\$161,339,000
Proposed Amendment:	\$27,000,000
Revised Request:	\$188,339,000

(In the appropriations language under the heading, delete "\$161,339,000" and substitute <u>\$188,339,000</u>; delete "\$132,129,000" and substitute <u>\$159,129,000</u>.)

This amendment would provide an additional \$27 million for the Office of Health Affairs. This proposed funding would strengthen the Nation's preparedness against a bioterrorist event through the enhancement of the BioWatch environmental monitoring system. The funds would be used to purchase and deploy 150 automated BioWatch sensors to increase coverage in BioWatch cities, lower detection times down to 4 to 6 hours, and speed the delivery of medical countermeasures.

Agency:	ENVIRONMENTAL PROTECTION AGENCY
Heading:	Science and Technology
FY 2009 Budget Appendix Page:	1039
FY 2009 Pending Request:	\$763,527,000
Proposed Amendment:	\$10,600,000
Revised Request:	\$774,127,000

(In the appropriations language under the above heading, delete "\$763,527,000" and substitute <u>\$774,127,000</u>.)

This amendment would provide an additional \$10.6 million for the Science and Technology account. This funding would be used to address gaps in responding to and recovering from an anthrax attack. Critical gaps addressed by this funding include:

Validated Sampling Assays and Methodologies (\$7.2 million). To date, EPA has identified existing methods to collect, prepare, and analyze samples containing anthrax. However, the existing methods are not specifically intended for environmental samples and need to be tested to determine their overall effectiveness and efficiency. Research is required to develop, verify, and validate sample collection, preparation, and analytical methods to aid in the detection of anthrax in environmental samples.

Washing/Cleaning Methods for Outdoor Areas/Matrices (\$2.5 million). Further research needs to be conducted to field-test Standard Operating Procedures for the use of simple and flexible decontamination methods of anthrax-contaminated outdoor areas, using available equipment and supplies and with minimal environmental or materials damage, i.e., bench-scale studies need to be done to assess the efficacy of promising decontamination /methods for outdoor surface types.

Risk Assessment Methodologies for Risk Characterization and Exposure Assessment (\$0.9 million). The capability of tools to estimate exposure levels following a wide area release remains a continuing challenge. Additional requested funding will assist EPA in not only developing methods to combine various data types into a scientifically-defensible risk characterization for human exposure to anthrax, but also in modifying existing exposure models, for chemically-contaminated environments, to estimate inhalation, dermal, and oral exposures to anthrax spores.

Agency:	ENVIRONMENTAL PROTECTION AGENCY
Heading:	Hazardous Substance Superfund
FY 2009 Budget Appendix Page:	1049
FY 2009 Pending Request:	\$1,264,233,000
Proposed Amendment:	\$24,165,000
Revised Request:	\$1,288,398,000

(In the appropriations language under the above heading, delete "\$1,264,233,000" in both places where it occurs and substitute in both places \$1,288,398,000.)

This amendment would provide an additional \$24.2 million for the Hazardous Substance Superfund account in the Environmental Protection Agency (EPA). This funding would be used to address gaps in decontamination equipment and laboratory capacity/capability for possible anthrax incidents in urban indoor and outdoor environments. Critical gaps addressed via this funding include:

InSitu Decon Methodologies (\$20.8 million). EPA and private vendors currently have technologies applicable for small-scale decontamination of biological agents, i.e., the Senate Office Building. However, a critical gap exists in the ability to scale-up technologies and methodologies to address larger areas of contamination and there is little incentive for private vendors to develop such capacity. The requested increase would provide additional technology capacity to decontaminate larger areas should such an event occur.

Laboratory Capacity/Capability (\$3.4 million). In the event of a wide-area anthrax attack, relying on a finite set of labs with competing priorities, i.e., a need to analyze environmental, clinical, and forensic samples simultaneously, presents a significant gap. Of the requested \$3.4 million, \$2.6 million would begin to address the current laboratory capacity gap, associated with screening sample analysis, through the development of a Memorandum of Understanding and Inter-agency Agreement with the Department of Agriculture to provide infrastructure support and access screening samples from more than a dozen State veterinary diagnostic laboratories. The remaining \$0.8 million would be used to support validated sampling assays and methodologies, such as evaluation and development of guidance for swab sampling methods on non-porous surfaces and for vacuum sampling methods from porous surfaces.

Furthermore, the Payment to the Hazardous Substance Superfund account would be adjusted, consistent with the proposed budget amendment, to increase homeland security funding for bioterrorism activities in the Hazardous Substance Superfund account.

Agency:	DEPARTMENT OF HEALTH AND HUMAN SERVICES
Bureau:	ADMINISTRATION FOR CHILDREN AND FAMILIES
Heading:	Social Services Block Grant
House Document 110-123 Page:	23
FY 2009 Pending Request:	\$939,765,000
Proposed Amendment:	-\$939,765,000
Revised Request:	

(In the appropriations language under the above heading, delete the appropriations language in its entirety and substitute the following:)

Notwithstanding sections 2002 and 2003 of the Social Security Act (42 U.S.C. §§ 1397a and 1397b), no State shall be entitled to payment, no funds shall be appropriated, and no allotment shall be made under such sections for fiscal year 2009: Provided, That notwithstanding subparagraph (B) of section 404(d)(2) of the Social Security Act (42 U.S.C. § 604(d)(2)), the applicable percent specified under such subparagraph for a State to carry out State programs pursuant to title XX of such Act shall be 10 percent.

The Social Services Block Grant (SSBG) is an appropriated entitlement, which was funded at \$1,700 million in FY 2008. The FY 2009 Budget requested \$1,200 million for SSBG through a one-year reduction of \$500 million in appropriations language. Additionally, the Budget included a permanent elimination of authorized funding levels in the out years beyond FY 2009. A budget amendment that was transmitted to the Congress on June 9, 2008 (H.Doc. 110-123) reduced the FY 2009 request to approximately \$940 million in order to offset other requested increases.

This amendment further adjusts the request by neither appropriating nor allocating to States any FY 2009 funds for SSBG, reducing the authorized funding level for the Social Services Block Grant by an additional \$940 million. At the same time, the amendment preserves the ability of the States to transfer up to 10 percent of funds from the Temporary Assistance for Needy Families program to SSBG. The program's minimal requirements maximize State flexibility but, at the same time, do not ensure that funded activities are effective. This is because SSBG is a funding stream rather than a program with measurable performance objectives.

The requested \$940 million reduction in budget authority would partially offset the proposed increases described in the accompanying amendments. Taken together, the budget authority requested in the FY 2009 Budget would not be affected.

Agency:	DEPARTMENT OF HOMELAND SECURITY
Bureau:	FEDERAL EMERGENCY MANAGEMENT AGENCY
Heading:	State and Local Programs
FY 2009 Budget Appendix Pages:	514-515
FY 2009 Pending Request:	\$1,900,000,000
Proposed Amendment:	-\$27,000,000
Revised Request:	\$1,873,000,000

(In the appropriations language under the heading, delete "\$1,900,000,000" and substitute <u>\$1,873,000,000</u>; delete "\$200,000,000" in paragraph (1) and substitute <u>\$173,000,000</u>.)

This amendment would reduce the Homeland Security Grant Program within the State and Local Programs account by \$27 million. The 2009 Budget proposes to consolidate State and local grants and to distribute grants to programs on the basis of risk. Since 2001, the Department has administered over \$23 billion, primarily as grants, to support State and local preparedness. Of this amount, approximately \$7.4 billion in grant awards remain unspent. Moreover, states and localities are spending these funds slower than they had been in prior years. This proposal would support State and local preparedness by redirecting a small percentage of total grant resources to BioWatch.

The requested \$27 million reduction in budget authority would fully offset a proposed increase within the Department, as described in an accompanying amendment. Taken together, the budget authority requested in the FY 2009 Budget would not be affected.