

THE WHITE HOUSE
WASHINGTON

September 7, 2004

Dear Mr. Speaker:

I ask the Congress to consider the enclosed FY 2005 budget amendments for the Department of Agriculture, the Department of Energy, and the Corps of Engineers. In total, these amendments would not increase the discretionary budget authority proposed in my FY 2005 Budget.

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

Sincerely,

A handwritten signature in black ink, appearing to read "J. Dennis Hastert". The signature is written in a cursive style with a large, looped initial "J".

The Honorable J. Dennis Hastert
Speaker of the
House of Representatives
Washington, D.C. 20515

Enclosure



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

THE DIRECTOR

September 6, 2004

The President
The White House

Submitted for your consideration are requests for FY 2005 budget amendments for the Department of Agriculture, Department of Energy, and the Corps of Engineers. The discretionary budget authority proposed in your FY 2005 Budget would not be increased by these amendments.

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

Department of Agriculture

- \$15 million is proposed for the Forest Land Enhancement Program to provide financial assistance to non-industrial private forest landowners. This funding would be fully offset within the Department.

Corps of Engineers/Department of Energy

- \$15 million is proposed for the Corps of Engineers to begin deepening the Federal navigational channel that runs along the Columbia River. The increase in budget authority would be fully offset by a corresponding decrease in the Department of Energy.

Recommendation

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

Sincerely,

A handwritten signature in black ink, appearing to read "J. Bolten", with a long horizontal stroke extending to the right.

Joshua B. Bolten
Director

Enclosures

Agency: DEPARTMENT OF AGRICULTURE

Bureau: FOREST SERVICE

Heading: Working Capital Fund

FY 2005 Budget
Appendix Pages: 190-191

FY 2005
Pending Request: ---

Proposed Amendment: -\$15,000,000

Revised Request: -\$15,000,000

(Under the above heading, insert the following new paragraph:)

Of the unobligated balances of the Working Capital Fund at the beginning of fiscal year 2005, \$15,000,000 is hereby cancelled.

This proposal would cancel \$15 million of unobligated balances in the Forest Service's Working Capital Fund. The reduction would be used to offset a proposed increase in budget authority for the Forest Land Enhancement Program, as described in an accompanying amendment.

Agency: DEPARTMENT OF AGRICULTURE
Heading: TITLE VII – GENERAL PROVISIONS
FY 2005 Budget Appendix Page: 198
FY 2005 Pending Request: -\$40,000,000
Proposed Amendment: \$15,000,000
Revised Request: -\$25,000,000

(In appropriations language under the above heading, subsection (c) of section 724 is amended as follows:)

1) delete the period at the end of the first phrase and substitute , in excess of \$15,000,000.; and

2) delete "Not less than \$40,000,000 of funds under such section are hereby cancelled."

This proposal would make available \$15 million for financial assistance to non-industrial private forest landowners. The remaining \$25 million would not be available for FY 2005, but is not proposed for cancellation.

This funding would be offset by a proposed cancellation of funds (-\$15 million) within the Department, as described in an accompanying amendment.

Agency: DEPARTMENT OF ENERGY
Bureau: Environmental and Other Defense Activities
Heading: Defense Site Acceleration Completion
FY 2005 Budget
Appendix Page: 386
FY 2005
Pending Request: \$350,000,000
Proposed Amendment: -\$7,000,000
Revised Request: \$343,000,000

This amendment would reduce the pending budget proposal to make these funds available for site cleanup only to the extent that legal uncertainty concerning certain reprocessing waste is resolved through pending litigation or by new legislation. While the Administration continues to work with the Congress and affected States on a legislative solution, it is likely that legal issues for some of the planned sites will not be resolved in time for all of the proposed funds to be obligated in FY 2005.

This reduction would partially offset the proposed increase to the Corps of Engineers' Construction account, as described in an accompanying amendment.

Agency: DEPARTMENT OF ENERGY
Bureau: ENVIRONMENTAL AND OTHER DEFENSE ACTIVITES
Heading: Other Defense Activities
FY 2005 Budget
Appendix Page: 387
FY 2005
Pending Request: \$664,618,000
Proposed Amendment: -\$5,000,000
Revised Request: \$659,618,000

This amendment and the companion amendment for the Department of Energy's Energy Supply account would withdraw the proposal to establish a new Office of Future Liabilities. The activities that would have been handled by the new office will continue to be undertaken by existing DOE programs

This reduction would partially offset the proposed increase to the Corps of Engineers' Construction account, as described in an accompanying amendment.

Agency:	DEPARTMENT OF ENERGY
Bureau:	ENERGY PROGRAMS
Heading:	Energy Supply
FY 2005 Budget Appendix Page:	391
FY 2005 Pending Request:	\$834,284,000
Proposed Amendment:	-\$3,000,000
Revised Request:	\$831,284,000

This amendment and the companion amendment for the Department of Energy's Other Defense Activities account would withdraw the proposal to establish a new Office of Future Liabilities. The activities that would have been handled by the new office will continue to be undertaken by existing DOE programs

This reduction would partially offset the proposed increase to the Corps of Engineers' Construction account, as described in an accompanying amendment.

Agency:	CORPS OF ENGINEERS – CIVIL WORKS
Heading:	Construction
FY 2005 Budget Appendix Pages:	907-908
FY 2005 Pending Request:	\$1,421,500,000
Proposed Amendment:	\$15,000,000
Revised Request:	\$1,436,500,000

This proposal would provide an additional \$15 million in the Construction account for the Corps of Engineers (Corps) to begin deepening the Federal navigation channel that runs from the mouth of the Columbia River to the ports of Portland, Oregon and Vancouver, Washington. The proposal would also allow the Corps to restore and improve the ecosystem and wildlife habitat associated with the project.

The Columbia River navigation system transports commodities from the Pacific Northwest and from as far inland as Kansas, Nebraska, and the Dakotas. More than 40 percent of U.S. wheat exports are shipped via the Columbia River, which accounts for more than \$14 billion in international trade annually. Deepening the channel would allow these ports to operate more efficiently and accommodate up-to-date deep-draft, economical ocean-going ships. Local project sponsors would share the cost of the project with the Federal Government.

This increase in budget authority would be fully offset by proposed reductions to accounts in the Department of Energy, as described in accompanying amendments.