

THE WHITE HOUSE

WASHINGTON

September 3, 2002

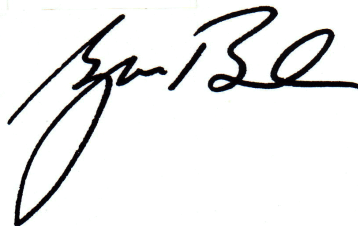
Dear Mr. Speaker:

I ask the Congress to consider the enclosed requests for FY 2003 budget amendments for the Departments of Health and Human Services and Transportation, and for International Assistance Programs.

These amendments continue my commitment to provide necessary resources to enhance transportation security, to assist Israel and the people of West Bank and Gaza, and to fight the growing pandemic of HIV/AIDS among developing countries.

The details of these requests 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, appearing to read "J. Dennis Hastert". The signature is stylized with a large, sweeping initial "J" and "H".

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 DEPUTY DIRECTOR

August 30, 2002

The President

The White House

Submitted for your consideration are requests for FY 2003 budget amendments for the Departments of Health and Human Services (HHS) and Transportation and for International Assistance Programs. These proposals fulfill your commitment to request FY 2003 funding for certain contingent appropriations that were not made available from P.L. 107-206, the 2002 Supplemental Appropriations for Further Recovery From and Response to Terrorist Attacks on the United States; and for critically needed resources for transportation security that were not provided by the Congress in that Act.

Department of Health and Human Services

An amendment for the Centers for Disease Control and Prevention would provide \$100 million of a total of \$200 million now requested to support your International Mother and Child HIV Prevention Initiative. This initiative, to be implemented and managed as one program by both HHS and the Agency for International Development (AID), is designed to reduce the transmission of the HIV/AIDS virus from HIV infected mothers to their offspring at birth in low- and middle-income developing countries, and to maintain the health of the mother and child through the period of infancy. An accompanying amendment for AID, as noted below, would provide the additional \$100 million of the \$200 million total request.

Department of Transportation

The proposed amendment would provide \$546 million for the Transportation Security Administration (TSA). P.L. 107-206 provided \$1.0 billion less than the supplemental request for TSA, and identified several funding items that were not part of the original request. The additional funding in this amendment would provide TSA with the resources necessary to meet the requirements of the transportation security law in the most effective, responsible, and efficient manner possible.

International Assistance Programs

The proposed amendments would provide:

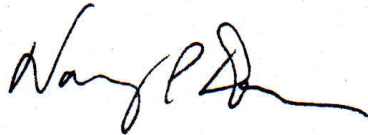
- \$200 million for the Economic Support Fund to support Israel in its efforts in the war on terrorism.

- \$100 million for AID's portion of the International Mother and Child HIV Prevention Initiative. As discussed earlier, an additional \$100 million is requested to be provided to HHS for this initiative.
- \$50 million for humanitarian, refugee, and reconstruction assistance to the West Bank and Gaza. None of the assistance for the West Bank and Gaza would be provided to the Palestinian Authority.

Transmission of these requests to the Congress reflects your commitment to provide the necessary resources to enhance security on our Nation's airplanes and in the airways, to assist Israel and the people of the West Bank and Gaza, and to fight the growing pandemic of HIV/AIDS among developing countries.

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 agencies in recommending that you transmit the amendments to the Congress.

Sincerely,

A handwritten signature in black ink, appearing to read "Nancy P. Dorn", with a long horizontal flourish extending to the right.

Nancy P. Dorn

Enclosures

Agency: DEPARTMENT OF HEALTH AND HUMAN SERVICES
Bureau: CENTERS FOR DISEASE CONTROL AND PREVENTION
Heading: Disease Control, Research, and Training
FY 2003 Budget Appendix Page: 440
FY 2003 Pending Request: \$3,931,742,000
Proposed Amendment: \$100,000,000
Revised Request: \$4,031,742,000

(In the appropriations language under the above heading, delete "\$3,931,742,000 of which \$143,763,000" and insert \$4,031,742,000 of which \$243,763,000 and after "for international HIV/AIDS shall remain available until September 30, 2004," insert the following: and not less than \$100,000,000 of this amount will be for the "International Mother and Child HIV Prevention Initiative,".)

This amendment would increase funding in the pending FY 2003 request for the Disease Control, Research, and Training account, which includes global HIV/AIDS activities, by \$100 million.

This increase would help finance the proposed Mother and Child HIV Presidential Initiative. This initiative is designed to reduce the transmission of the HIV/AIDS virus from HIV infected mothers to their offspring at birth in low- and middle-income developing countries, and to maintain the health of the mother and child through the period of infancy.

This initiative will be implemented and managed as one program by both the Agency for International Development and the Department of Health and Human Services. This initiative requires the agencies to collaborate and establish a single program, including submitting joint annual progress reports and coordinating data collection and evaluation activities.

The amendment would increase FY 2003 outlays by \$33 million.

Agency: DEPARTMENT OF TRANSPORTATION
Bureau: TRANSPORTATION SECURITY ADMINISTRATION
Heading: Transportation Security Administration
FY 2003 Budget
Appendix Page: 721
FY 2003
Pending Request: \$4,800,000,000
Proposed Amendment: \$546,000,000
Revised Request: \$5,346,000,000

(In the appropriations language under the above heading, delete "\$4,800,000,000" and substitute \$5,346,000,000.)

This request would provide funds to ensure sufficient and timely improvements to aviation and transportation security to meet the requirements of the Aviation and Transportation Security Act (P.L. 104-71). Funding reductions and earmarks in supplemental legislation enacted during FY 2002 reduced the Administration's ability to respond to transportation security requirements with sufficient flexibility. Cost estimates for some planned Transportation Security Administration (TSA) activities for FY 2002 have fallen as the program has matured, while others have increased. The net effect is that transportation security funding needs, particularly for aviation, are still larger than the resources provided in FY 2002. Specifically, the amendment would provide:

- \$200 million in additional funding to support passenger screening requirements. These funds will ensure all passenger screening lanes are appropriately configured, and adequate staff is hired, effectively trained, and deployed.
- \$196 million in additional funding for deferred costs, including costs attributable to Federal pay and hiring expenses, third party screening contracts, and leased equipment maintenance.
- \$50 million in additional funding for deferred costs associated with the purchase of explosive detection systems (EDS). This funding is urgently needed to ensure that TSA can keep pace with its aggressive EDS deployment plans and have the ability to flexibly respond to individual airport needs.
- \$50 million in additional funding for deferred research on a next generation EDS system. TSA must have the resources to work aggressively on the development of a more effective, smaller, and cost effective EDS system.

- \$50 million for other newly identified transportation security initiatives including \$20 million for cockpit security initiatives; \$20 million for grants to test industry-wide trucking security proposals; and, \$10 million for additional canine units to facilitate air cargo inspection and the reduction of air carrier restrictions on the transport of U.S. Postal Service mail, and to enhance existing canine coverage of airport terminals and baggage areas.

This proposed request would provide TSA with the resources necessary to meet the requirements of aviation security law in the most effective, responsible, and efficient manner possible.

This amendment would increase FY 2003 outlays by \$464 million.

Agency: INTERNATIONAL ASSISTANCE PROGRAMS

Bureau: INTERNATIONAL SECURITY ASSISTANCE

Heading: Economic Support Fund

FY 2003 Budget

Appendix Page: 963

FY 2003

Pending Request: \$2,290,000,000

Proposed Amendment: \$200,000,000

Revised Request: \$2,490,000,000

(In the appropriations language under the above heading, delete "\$2,290,000,000" and insert, \$2,490,000,000; and after the phrase, "September 30, 2004" insert the following: ,of which \$200,000,000 will be for necessary expenses related to combating international terrorism.)

This request would provide an additional \$200 million for the Economic Support Fund to provide anti-terrorism assistance to Israel to support its efforts in the war on terrorism.

The amendment would increase FY 2003 outlays by \$200 million.

Agency: INTERNATIONAL ASSISTANCE PROGRAMS
Bureau: AGENCY FOR INTERNATIONAL DEVELOPMENT
Heading: Development Assistance
FY 2003 Budget
Appendix Page: 978-979
FY 2003
Pending Request: \$2,739,500,000
Proposed Amendment: \$100,000,000
Revised Request: \$2,839,500,000

(In the appropriations language under the above heading, delete "\$2,739,500,000" and insert, \$2,839,500,000, of which not less than \$100,000,000 will be for the "International Mother and Child HIV Prevention Initiative".)

This amendment would increase funding in the pending FY 2003 request for the Development Assistance account, which includes child survival and disease programs, by \$100 million.

This increase would help finance the proposed Mother and Child HIV Prevention Initiative. This initiative is designed to reduce the transmission of the HIV/AIDS virus from HIV infected mothers to their offspring at birth in low- and middle-income developing countries, and to maintain the health of the mother and child through the period of infancy.

This initiative will be implemented and managed as one program by both the Agency for International Development and the Department of Health and Human Services. This initiative requires the agencies to collaborate and establish a single program, including submitting joint annual progress reports and coordinating data collection and evaluation activities.

The amendment would increase FY 2003 outlays by \$15 million.

Agency: INTERNATIONAL ASSISTANCE PROGRAMS
Bureau: UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

Heading International Disaster Assistance

FY 2003 Budget
Appendix Page: 985

FY 2003
Pending Request: \$235,500,000

Proposed Amendment: \$50,000,000

Revised Request: \$285,500,000

(In the appropriations language under the above heading, delete "\$235,500,000" and substitute, \$285,500,000; and insert before the period, ,of which \$50,000,000 will be for assistance for the West Bank and Gaza.)

This request would provide \$50 million in international disaster assistance funds for humanitarian, refugee, and reconstruction assistance to the West Bank and Gaza. None of the assistance for the West Bank and Gaza would be provided to the Palestinian Authority.

This amendment would increase FY 2003 outlays by \$12 million.