

**THE WHITE HOUSE**  
**WASHINGTON**

September 21, 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 Commerce, Defense, Energy, State, and the Treasury, the General Services Administration, International Assistance Programs, the National Science Foundation, and the Office of Personnel Management. The requested FY 2000 funding increases are offset fully, and these amendments will not diminish the FY 2000 surplus.

Included in this transmittal are requests for the Department of State and for International Assistance Programs to fund the following: new or expanded peacekeeping missions in East Timor and Africa; bilateral debt forgiveness and additional U.S. contributions to the Highly Indebted Poor Countries Trust Fund; a new building for the Agency for International Development to be located on the U.S. Embassy compound in Dar es Salaam, Tanzania; and, a cross-cultural exchange program with Ireland.

Also included in this package are proposals that would enhance computer security and protection of critical infrastructure in both the Government and the private sector that is necessary to ensure our national security, national economic security, and public health and safety. The five proposed initiatives included in the proposal would increase cooperation with key industries of the private sector where most of the Nation's critical infrastructure resides, and would address vulnerabilities in Government infrastructure that provides essential services to the public.

In addition, I am asking the Congress to provide additional resources to address concerns raised by workers and communities at gaseous diffusion plants operated by the Department of Energy.

The details of these and other requested actions 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,

William L. Clinton

Enclosure



THE DIRECTOR

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

September 21, 1999

The President

The White House

Submitted for your consideration are budget amendments for FY 2000 for the Departments of Commerce, Defense, Energy, State, and the Treasury, the General Services Administration, International Assistance Programs, the National Science Foundation, and the Office of Personnel Management. The requested funding increases are offset fully by proposed revisions to your FY 2000 Budget.

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

**International Affairs Programs**

- An additional \$250 million is requested for the assessed contributions for United Nations peacekeeping activities. This additional funding is requested for the U.S. Government's share (at 25 percent) of the FY 2000 costs for new or expanded peacekeeping missions in East Timor, Eritrea/Ethiopia, Sierra Leone, and the Democratic Republic of the Congo.
- An additional \$250 million is requested in FY 2000 to provide funds for bilateral debt forgiveness through the Paris Club under the enhanced debt reduction initiative agreed to at the 1999 G-8 Summit. The FY 2000 Budget included a legislative proposal for \$50 million for the Highly Indebted Poor Countries (HIPC) Trust Fund, and an appropriations request for \$70 million. This proposal includes \$600 million in advance appropriations for FYs 2001-2003 for a total request of \$970 million. The proposal authorizes \$650 million of this amount in additional U.S. contributions to the HIPC Trust Fund.

- A proposal for \$15 million in additional funding is requested for a new building in Dar es Salaam, Tanzania, to permit the Agency for International Development to be co-located on the U.S. Embassy compound in light of the August 1998 U.S. Embassy bombing.
- An additional \$4 million to fund exchange programs to permit up to 4000 residents of Northern Ireland and six bordering counties of the Republic of Ireland to visit the United States for cross-cultural exchanges.

### **Critical Infrastructure Protection**

- A total of \$39 million for initiatives is proposed to protect critical infrastructure in both the Government and the private sector that is necessary to ensure our national security, national economic security, and public health and safety. These proposals will improve our ability to prevent, detect, and respond to intrusions into Government computer systems; ensure availability of a sufficient number of highly-trained information security personnel in Federal agencies; create a dedicated technical staff to provide Government-wide computer security support; and, provide support and outreach to the private sector, where most of the Nation's critical infrastructure resides.

### **Other Funding Proposals**

In addition, the amendment package includes the following proposals:

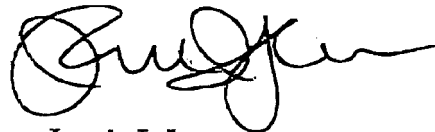
- A proposal for \$21.76 million in additional funding is requested to address concerns raised by workers and communities at gaseous diffusion plants operated by the Department of Energy (DOE). The funds will also be used to accelerate cleanup of wastes generated by past DOE defense-related activities. The increased funding is offset by a reduction in the funding requested for the design of the plutonium disposition facility. The schedule for the plutonium facility has been delayed one year for other reasons.
- A total of \$31 million in additional resources is proposed for the United States Secret Service. These amounts are in addition to amounts included in the conference report to the Treasury and General Government appropriations bill. This funding will support the Service's counter-terrorism efforts and responsibilities outlined in Presidential Decision Directive (PDD) #62, and enhance the Secret Service's efforts to improve workforce retention and workload balancing. These funds may also be used for capital investments or similar expenses planned for FY 1999 that were foregone in order to pay unbudgeted costs related to PDD #62 and two major special events.

- A total of \$3 million in additional resources is proposed for payment to the District of Columbia to establish a National Museum of American Music complex. This funding will support the staff, consultants, designs, environmental assessments, and preparations necessary to complete the planning phase.
- A proposal is included that would authorize the transfer of \$975,666 of the funds requested to be appropriated for Operations and Maintenance, Army, to the Presidential Advisory Commission on Holocaust Assets in the United States. The Departments of Justice and of State are also financially supporting the Commission. The mission of the Commission is to research and report on the collection and disposition of Holocaust-era assets within the United States.

The funding increases described above are offset by a modification of the estimated tax "safe harbor" for individuals. This proposal to increase the prior-year safe harbor percentage for higher income taxpayers to 110 percent for tax years 2000 and 2001 and to 111 percent for tax years 2003 and thereafter will be transmitted to the Congress under separate cover. This proposal is estimated to increase FY 2000 receipts by \$0.6 billion.

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 proposals to the Congress.

Sincerely,

A handwritten signature in black ink, appearing to read "Jacob J. Lew", written in a cursive style.

Jacob J. Lew  
Director

Enclosures

Agency: DEPARTMENT OF COMMERCE

Bureau: EXPORT ADMINISTRATION

Heading: Operations and Administration

FY 2000 Budget

Appendix Page: 205

FY 2000

Pending Request: \$60,455,000

Proposed Amendment: \$2,000,000

Revised Request: \$62,455,000

(In the appropriations language under the above heading, delete “,\$60,455,000” and substitute ; for grants to State and local governments to support critical infrastructure protection pilots in an amount not to exceed \$2,000,000, \$62,455,000.)

The Federal Government has a vital role in supporting private sector efforts to protect its own critical infrastructure. In areas concerning the security of the national infrastructure where there is a clear national interest but not an obvious market need, the Government must act as a facilitator and a catalyst to promote private sector activity. In that spirit, Presidential Decision Directive #63 stated that the Government would appoint lead agencies to coordinate infrastructure protection with industries in eight sectors, through Information Sharing and Assessment Centers (ISACs). The Administration requested seed money for the ISACs in the FY 2000 Budget, and continues to support the ISAC effort as the foundation of a public-private partnership to share best practices and warning information with and between industries.

This amendment would increase the pending request by \$2 million to support two new pilot ISAC projects for State and local government partnerships with the private sector.

This proposal would increase FY 2000 outlays by \$2 million.

Agency: DEPARTMENT OF COMMERCE

Bureau: NATIONAL INSTITUTE OF STANDARDS  
AND TECHNOLOGY

Heading: Scientific and Technical Research and Services

FY 2000 Budget  
Appendix Pages: 221-22

FY 2000  
Pending Request: \$289,622,000

Proposed Amendment: \$5,000,000

Revised Request: \$294,622,000

The Critical Infrastructure Protection (CIP) proposal would establish an Expert Review Team at the Department of Commerce's National Institute of Standards and Technology (NIST). This team would assist Government-wide agencies in adhering to Federal computer security requirements. The Director of the Expert Review Team will consult with the Office of Management and Budget and National Security Council on the team's plan to protect and enhance computer security for Federal agencies.

Of the additional \$5 million requested for NIST, \$2 million will fund a permanent 15-member team responsible for helping agencies identify vulnerabilities, plan secure systems, and implement CIP plans. The remaining \$3 million will establish an operational fund at NIST for computer security projects among Federal agencies. Such projects would include independent vulnerability assessments, computer intrusion drills, and emergency funds to cover security fixes for systems identified to have unacceptable security risks.

This proposal would increase FY 2000 outlays by \$4 million.

Agency: DEPARTMENT OF THE TREASURY  
Bureau: DEPARTMENTAL OFFICES  
Heading: Department-Wide Systems and Capital Investments Programs  
FY 2000 Budget Appendix Page: 809  
FY 2000 Pending Request: \$53,561,000  
Proposed Amendment: \$7,000,000  
Revised Request: \$60,561,000

As part of the Administration's efforts to protect the Nation's critical infrastructure, this amended FY 2000 request would provide \$7 million to the Department of the Treasury to support the continued development of six projects in Federal agencies seeking to establish Public Key Infrastructures (PKIs) to allow electronic transactions over open networks.

Within the Federal Government, substantial efforts are already underway to deploy public key technology for intra-agency applications, especially those involving personnel matters, contracts, and financial transfers. However, in other, more complex areas with a high litigation risk such as regulatory filings and other transactions with the public, industry or other governments, the Federal Government is much farther away. Many agencies have expressed an interest in, and have a compelling need for, developing a PKI to address these needs, but simply do not have the resources available to support development.

This proposal would transfer \$7 million from Treasury's Departmental Offices to Treasury's Working Capital Fund. Treasury currently serves as the home for the Government-wide PKI Steering Committee.

This proposal would increase FY 2000 outlays by \$7 million.



Agency: GENERAL SERVICES ADMINISTRATION

Bureau: GENERAL ACTIVITIES

Heading: Policy and Operations

FY 2000 Budget  
Appendix Page: 974

FY 2000  
Pending Request: \$122,158,000

Proposed Amendment: \$8,400,000

Revised Request: \$130,558,000

(In the appropriations language under the above heading, delete "\$122,158,000" and substitute \$130,558,000; delete "and" immediately following "available until expended,"; and insert , and of which \$8,400,000 shall be for Government information system intrusion detection and response, which amount may be transferred to other Federal agencies at the discretion of the Administrator between "2001" and the period.)

This proposal would create, as part of overall computer security, a new centralized capability in the General Services Administration (GSA) in the area of intrusion detection and response. The proposal would, through the use of additional staff and enhanced technology, improve Federal agencies' ability to: (1) detect computer attacks and unauthorized intrusions; (2) share attack warnings and related information across agencies; and, (3) respond to attacks. The additional staffing and equipment resources funded by this amendment would assist agency information technology administrators by providing specially trained individuals and assistance in deploying intrusion detection technology to concentrate on detecting attacks.

This amendment would provide GSA funds, not included in the pending FY 2000 request, to pay for additional technology and personnel dedicated to intrusion detection and response. These funds would enable GSA to provide support in the implementation of computer security programs and in the analysis of anomaly data to identify and respond to attacks and intrusions, as well as to share attack warnings. The additional personnel would improve Federal agencies' ability to detect attacks, analyze data, and communicate attack information more swiftly, building on the existing Federal Computer Incident Response Capability. The additional technology, in the form of state-of-the-art intrusion detection systems, would ensure a consistent capability in agencies to protect critical systems.

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The program would operate within the legal requirements and Government policy concerning privacy, civil liberties, and promoting confidence in users of Federal civilian computer systems. Attack and intrusion information would be gathered and analyzed by agency experts. Only data on system anomalies would be forwarded to GSA for further analysis. Law enforcement would receive information about computer attacks and intrusions only under longstanding legal rules, where an agency determines there is sufficient indication of illegal conduct. The private sector is not linked in any automated or other new way to GSA under this program.

This proposal would increase FY 2000 outlays by \$7 million.

Agency: NATIONAL SCIENCE FOUNDATION

Heading: Salaries and Expenses

FY 2000 Budget  
Appendix Page: 1063

FY 2000  
Pending Request: \$149,000,000

Proposed Amendment: \$1,000,000

Revised Request: \$150,000,000

The amendment would provide funds not included in the pending FY 2000 request to cover the National Science Foundation's (NSF's) costs of administering the Scholarships for Service program, a component of the Federal Cyber Services initiative. NSF would: (1) administer the scholarships program; (2) provide funds in the form of grants or direct aid to students selected for the program; (3) determine award amounts; and, (4) execute agreements for Government service upon completion of the program.

NSF will also provide assistance to the Office of Personnel Management on the overall design of the program and its associated longitudinal evaluation.

This proposal would increase FY 2000 outlays by \$1 million.

Agency: NATIONAL SCIENCE FOUNDATION

Heading: Education and Human Resources

FY 2000 Budget  
Appendix Page: 1064

FY 2000  
Pending Request: \$678,000,000

Proposed Amendment: \$5,200,000

Revised Request: \$683,200,000

This amendment would provide funds not included in the pending FY 2000 request to provide up to 300 scholarships and fellowships for one or two years of undergraduate or postgraduate education in the information technology/information security disciplines. This activity is part of the Scholarships for Service program of the Federal Cyber Services initiative. Awardees would receive these funds in exchange for a commitment to work for the Federal Government for a specified period upon completion of the program.

This proposal would increase FY 2000 outlays by \$5 million.

Agency: OFFICE OF PERSONNEL MANAGEMENT

Heading: Salaries and Expenses

FY 2000

Appendix Page: 1067

FY 2000

Pending Request \$91,584,000

Proposed Amendment: \$10,650,000

Revised Request: \$102,234,000

This proposal would amend the pending FY 2000 request in order to provide funding for four components of the Federal Cyber Services initiative as described below:

- Support the identification of Centers for IT Excellence, a consortium of colleges, universities, and other organizations identified as sources for Information Technology (IT) and Information Security (IS) training for current Federal employees, that would provide specified courses and programs meeting approved standards. The Centers would certify the competencies of these personnel and help them maintain their skill levels throughout their careers. The Office of Personnel Management (OPM) will assist in the identification of the Centers, help develop the course materials based on the results of the IT occupational study, and help develop faculty training programs. (\$5.75 million)
- Fund three facets of the Scholarships for Service component of the Federal Information Technology Services. Scholarships for Service, which will be jointly implemented by the OPM and the National Science Foundation (NSF), will provide one- or two-year scholarships or fellowships for undergraduate or postgraduate study in information technology/information security in exchange for a specified length of Government service. Up to 300 students will be selected in the first year. The OPM, with the NSF's advice, will: (1) design the overall program and develop a longitudinal evaluation model; (2) develop materials for and conduct recruitment and marketing activities; and, (3) develop and administer a selection battery to help select award recipients. The NSF will administer the scholarship/fellowship component of the program. (\$2.3 million)
- Design and develop a high school recruitment and training initiative to target promising high school students for participation in summer work and internship programs leading to certification to Federal IT workforce standards and possible future employment. The effort will also examine possible programs to promote computer security awareness in secondary and high school classrooms. (\$1.3 million)

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- Ensure timely completion of the IT occupational study, which will identify the number of IT security positions needed in the Government, and the training and certification requirements for those positions. This builds on the IT occupational study's component that is identifying the discrete categories of IT work performed and the skills, knowledge and competencies required to successfully perform the work. (\$1.3 million.)

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

Agency: DEPARTMENT OF DEFENSE – MILITARY

Bureau: OPERATION AND MAINTENANCE

Heading: Operation and Maintenance, Army

FY 2000 Budget

Appendix Page: 244

FY 2000 Pending Request: \$18,660,994,000 (Total)

Proposed Amendment: Language

Revised Request: \$18,660,994,000 (Total)

(In the appropriations language in the first paragraph under the above heading, insert the language that follows after, “Stockpile Transfer Fund”).)

: Provided, That notwithstanding section 2215 of title 10, United States Code, of the funds appropriated in this paragraph, \$975,666 is authorized to be transferred to the Presidential Advisory Commission on Holocaust Assets in the United States, to remain available until March 31, 2001.

This budget amendment would authorize the transfer of \$975,666 of the funds to be appropriated for Operations and Maintenance, Army, for FY 2000 to the Presidential Advisory Commission on Holocaust Assets in the United States. This will cover the costs the Army was to be responsible for in both FY 1999 and FY 2000. The Department’s of Justice and State are also financially supporting the Commission.

The mission of the Commission is to research and report on the collection and disposition of Holocaust-era assets within the United States.

In total, this proposal would not affect FY 2000 outlays.

Agency: DEPARTMENT OF ENERGY  
Bureau: ATOMIC ENERGY DEFENSE ACTIVITIES  
Heading: Other Defense Activities  
House Doc.  
106-95 Page: 5  
FY 2000  
Pending Request: \$1,863,015,000  
Proposed Amendment: -\$14,750,000  
Revised Request: \$1,848,265,000

This amendment includes a request for \$7.015 million for the Office of Environment, Safety, and Health to address worker and public health and safety, and environmental concerns associated with current and past operations of the Department of Energy's (DOE's) gaseous diffusion plant sites. Of this amount, \$2.165 million is requested to provide oversight and technical expertise on radiological issues, including: identification and analysis of worker health and safety risks and exposures at the plant sites; assessment of the plant site radiation and contamination control programs and waste practices; and, review of the historical generation and flow of recycled uranium throughout the DOE complex. The remaining \$4.850 million will be used to increase the medical monitoring capability of local clinics to detect health hazards of former and current plant workers. Medical records will be collected and assessed, and, as appropriate, participants will be provided referral assistance. These records may be available to the Institute of Medicine of the National Academy of Sciences for their evaluation of occupational illness compensation.

The proposed funding increase for environment, safety, and health in this account is offset by withdrawing the \$21.765 million requested in the FY 2000 Budget for the plutonium disposition immobilization facility construction project. On August 18, 1999, the Department announced that it would delay the start of the project for one year. The schedule change will enable the Department to make the best use of new developments and is supported by new schedules for providing radioactive waste as a radiation barrier at the Defense Waste Processing Facility at the Savannah River Site.

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



Agency: DEPARTMENT OF ENERGY  
Bureau: ENERGY PROGRAMS  
Heading: Energy Supply  
House Doc.  
106-66 Page: 13  
FY 2000  
Pending Request: \$840,612,000  
Proposed Amendment: \$4,087,000  
Revised Request: \$844,699,000

This amendment requests \$4.087 million for use by the Nuclear Energy, Science and Technology Office to accelerate cleanup of Departmental inactive facilities at the gaseous diffusion plants not leased to the United State Enrichment Corporation in Paducah, Kentucky and Portsmouth, Ohio in order to reduce or eliminate chemical hazards, radiologically contaminated material, and exposure to workers. Funding is also requested to support test-sampling of depleted uranium hexafluoride stored at the sites for potential impurities, accelerating disposal of empty depleted uranium hexafluoride containers, and UF<sub>4</sub> container repackaging to prevent loss of material and potential worker exposure, as well as litigation costs for an ongoing class-action lawsuit involving parties claiming harm by Paducah Gaseous Diffusion Plant emissions of radioactive materials and other toxic and hazardous substances.

This proposal would increase FY 2000 outlays by \$2 million.

Agency: DEPARTMENT OF ENERGY

Bureau: ENERGY PROGRAMS

Heading: Uranium Enrichment Decontamination and Decommissioning Fund

FY 2000 Budget Appendix Page: 410

FY 2000 Pending Request: \$240,198,000

Proposed Amendment: \$10,663,000

Revised Request: \$250,861,000

This amendment requests \$10.663 million for the Office of Environmental Management to accelerate cleanup activities at the gaseous diffusion plant sites at Paducah, Kentucky, and Portsmouth, Ohio. The emphasis of accelerated environmental activities at the Paducah plant site would focus on potential radioactive contamination and remediation of groundwater, surface water, on-site burial grounds, and surface soil, as well as decontamination and decommissioning of facilities to protect on-site workers. The increased funding for Portsmouth includes remediation of areas where low levels of transuranic contamination has been detected.

The proposal would increase FY 2000 outlays by \$7 million.

Agency: DEPARTMENT OF STATE  
Bureau: INTERNATIONAL ORGANIZATIONS AND CONFERENCES  
Heading: Contributions for International Peacekeeping Activities  
FY 2000 Budget Appendix Page: 711  
FY 2000 Pending Request: \$235,000,000  
Proposed Amendment: \$250,000,000  
Revised Request: \$485,000,000

This amendment increases the pending FY 2000 request for the assessed contributions for United Nations peacekeeping activities. The additional funding is requested for new or expanded peacekeeping missions in East Timor, Eritrea/Ethiopia, Sierra Leone, and the Democratic Republic of the Congo. These funding needs were unforeseen at the time that the budget was prepared. The \$250 million request would fund the U.S. Government's share (at 25 percent) of the FY 2000 costs of these missions.

This proposal would increase FY 2000 outlays by \$245 million.

Agency: DEPARTMENT OF THE TREASURY  
Bureau: UNITED STATES SECRET SERVICE  
Heading: Salaries and Expenses  
FY 2000 Budget Appendix Page: 851  
FY 2000 Pending Request: \$661,312,000  
Proposed Amendment: \$31,000,000  
Revised Request: \$692,312,000

Presidential Decision Directive (PDD) #62 details a new and more systematic approach to fighting terrorism by developing a program management approach to U.S. counter-terrorism efforts. The additional funding proposed in this amendment would continue capital investments or similar activities planned for FY 1999 that were forgone to pay for two unbudgeted major events: NATO's 50th Anniversary Summit (\$4.39 million) and the visit of Pope John Paul II to St. Louis (\$2.188 million). In addition, \$3.922 million would be used for air interdiction training and infrastructure support to carry out the protective responsibilities outlined in PDD #62. The remaining resources (\$20.5 million) would provide for additional FTEs to improve workforce retention and workload balance.

This proposal is in addition to amounts included in the conference report to the Treasury and General Government appropriations bill.

This proposal would increase FY 2000 outlays by \$28 million.

Agency: INTERNATIONAL ASSISTANCE PROGRAMS

Bureau: INTERNATIONAL SECURITY ASSISTANCE

Heading: Economic Support Fund

FY 2000 Budget

Appendix Page: 979

FY 2000 Pending Request: \$2,389,000,000

Proposed Amendment: \$4,000,000

Revised Request: \$2,393,000,000

This proposal would help fund a visa program to permit up to 4000 residents of Northern Ireland and six bordering counties of the Republic of Ireland to visit the United States for cross-cultural exchanges. The experience of training and living in the United States will enable participants to contribute to the peace process and to the growth of all communities of Northern Ireland.

This proposal would increase FY 2000 outlays by \$280 thousand.

Agency: INTERNATIONAL ASSISTANCE PROGRAMS

Bureau: MULTILATERAL ASSISTANCE

Heading: Debt Restructuring

FY 2000 Budget

Appendix Page: 993-94

FY 2000 Pending Request: \$70,000,000

Proposed Amendment \$900,000,000 (total)

Revised Request: \$970,000,000

(In the appropriations language under the above heading, delete "\$70,000,000, to remain available until expended" and substitute "\$970,000,000, to remain available until expended, of which \$370,000,000 shall be available on October 1, 1999, \$200,000,000 shall be available on October 1, 2000, \$200,000,000 shall be available on October 1, 2001, and \$200,000,000 shall be available October 1, 2002: Provided, That of the total amount provided herein, up to \$650,000,000 may be used for payment to the Heavily Indebted Poor Countries Trust Fund of the International Bank for Reconstruction and Development; and".

This amendment would provide additional funds for bilateral debt forgiveness through the Paris Club under the enhanced debt reduction initiative agreed to at the 1999 G-8 Summit in Cologne and for additional U.S. contribution's to the Highly Indebted Poor Countries (HIPC) Trust Fund to support participation in this initiative by the International Financial Institutions (IFIs). The FY 2000 Budget requested \$20 million for bilateral debt forgiveness and included \$50 million for the HIPC Trust Fund as a proposal to be transmitted to Congress at a later date. Legislation that would authorize the contribution to the HIPC Trust Fund was transmitted to the Congress on June 8, 1999. The budget also included a proposal for \$50 million to implement the debt reduction component of the Tropical Forest Conservation Act.

This proposal would increase the pending request for bilateral debt to \$320 million and requests \$650 million for the U.S. contribution to the HIPC Trust Fund.

This proposal would increase FY 2000 outlays by a net \$25 million. (FY 2000 outlays associated with the \$50 million contribution to the HIPC Trust Fund were included in the proposed budget totals.)

Agency: INTERNATIONAL ASSISTANCE PROGRAMS  
Bureau: AGENCY FOR INTERNATIONAL DEVELOPMENT  
Heading: Operating Expenses of the Agency for International Development  
FY 2000 Budget Appendix Page: 1002  
FY 2000 Pending Request: \$507,739,000  
Proposed Amendment: \$15,000,000  
Revised Request: \$522,739,000

This amendment would increase the pending FY 2000 request by \$15 million for a new building in Dar es Salaam, Tanzania, to permit United States Agency for International Development (USAID) to be co-located on the U.S. Embassy compound in light of the August 1998 U.S. Embassy bombing. The Foreign Building Office (FBO) has secured a property of approximately 21 acres and is in the process of soliciting a design-build contract for the new compound. The site is adequate to include a USAID office structure of approximately 28,000 square feet. FBO's estimate for the USAID design-build portions of the contract is \$15.1 million. FBO expects to award the design phase of the contract by September 30, 1999. The contract award for the actual construction phase will follow in the next several months with an anticipated groundbreaking by Spring 2000.

USAID/Tanzania has a total staff of 92. The mission oversees an FY 1999 annual assistance program of \$20-25 million excluding a \$9.2 million special program to assist the bombing victims and build capacity for disaster preparedness and response, with major activities in health, natural resources, democracy/governance, private sector, and rural road rehabilitation sectors. Given the expansion of the program to manage the post-bombing assistance to the people of Dar es Salaam, the institutional limitations generally in-country, and the country's level of poverty, USAID anticipates that there will be a long-term need for its country presence.

This proposal would increase FY 2000 outlays by \$11 million.

Agency: NATIONAL MUSEUM OF AMERICAN MUSIC

Heading: Payment to the Federal City Council of Planning Funds for the National Museum of American Music

FY 2000 Budget Appendix Page: 1205

FY 2000 Pending Request: ----

Proposed Amendment: \$3,000,000

Revised Request: \$3,000,000

(Insert the above agency and heading and the language that follows immediately after the material under the heading “Woodrow Wilson Center for International Scholars, Salaries and Expenses”.)

For payment to the Federal City Council to establish a National Museum of American Music complex, \$3,000,000, to remain available until expended: Provided, That such funds shall be for the staff, consultants, design, environmental assessments and preparation of Request for Proposals necessary to complete the planning phase of such museum.

This amendment would provide \$3 million for the planning phase for a National Museum of American Music and associated complex, to be provided to the Federal City Council. In FY 1999, the Federal Government provided \$300 thousand for a needs and design study for a National Museum of American Music. The funds were provided to the Federal City Council through the District of Columbia appropriations bill.

Funds in FY 2000 are requested to complete the planning phase for the Museum and associated complex. The funds will cover all costs for staff, consultants, designs, environmental assessments, and preparation of a Request for Proposals. Funding for construction of the complex in future years will not be provided through Federal funds; funds will be raised in the private sector. When completed, the Museum may be an affiliate of the Smithsonian Institution, but it will not be a Smithsonian Institution museum.

This proposal would increase FY 2000 outlays by \$3 million.



## **MODIFICATION OF INDIVIDUAL ESTIMATE TAX SAFE HARBORS**

Summary of Legislation to be Transmitted under Separate Cover

### Current Law

An additional tax, equal to interest accruing on the underpayment amount, is imposed on an underpayment of estimated tax. An individual generally does not have an underpayment of estimated tax if he or she makes withheld or estimated tax payments, during the tax year, of: (1) at least 90 percent of the tax shown on the current year's tax return; or, (2) 100 percent of the tax shown on the prior year's tax return (100 percent of the prior-year safe harbor).

A special rule applies to individuals with adjusted gross income in excess of \$150,000 (\$75,000 for married filing separate) in the previous tax year. For these individuals, the prior year safe harbor percentage is: (1) 105 percent in tax year 1999; (2) 106 percent in tax years 2000 and 2001; (3) 112 percent in 2002; and, (4) 110 percent in tax year 2003 and thereafter.

A proposal in the Mid-Session Review of the FY 2000 Budget would increase the prior-year safe harbor percentage for higher income taxpayers from 106 percent to 109 percent for tax years 2000 and 2001.

### Proposal

For tax years 2000 and 2001, the prior-year safe harbor percentage for higher income taxpayers would be increased to 110 percent. For tax years 2003 and thereafter, the prior year safe harbor percentage for higher income taxpayers would be increased to 111 percent.

This proposal is estimated to increase FY 2000 receipts by \$0.6 billion.