

THE WHITE HOUSE

WASHINGTON

June 11, 2001

The Speaker of the

House of Representatives

Sir:

I ask the Congress to consider expeditiously the enclosed FY 2001 supplemental proposal for the Department of Defense. In addition, I request that two proposals submitted on June 1, 2001 -- additional funding for the Department of Defense's Overseas Contingency Operations Transfer Fund and a reduction to the Department of Transportation's Miscellaneous Highway Trust Fund -- be withdrawn.

The details of these 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,

A handwritten signature in black ink, appearing to read "George W. Bush". The signature is written in a cursive style with a large, sweeping initial "G".

Enclosure



THE DIRECTOR

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

June 11, 2001

The President

The White House

Submitted for your consideration is an FY 2001 supplemental appropriations proposal for the Department of Defense. In addition, two supplemental proposals, transmitted on June 1, 2001, for additional funding for the Department of Defense's Overseas Contingency Operations Transfer Fund and reduced funding for the Department of Transportation's Miscellaneous Highway Trust Fund account, are now recommended to be withdrawn.

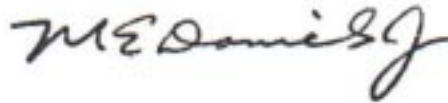
This transmittal proposes the cancellation of \$61 million of unobligated balances from the Department of Defense's Overseas Contingency Operations Transfer Fund. It has been determined that this amount and the \$32 million previously requested for this account cannot be efficiently obligated this fiscal year.

Also included in the June 1st transmittal was a proposal to cancel \$93 million previously appropriated to the Department of Transportation (DOT) for construction and improvement of Interstate 49 in Arkansas. DOT now advises that the State has already completed several sections of this multi-phase project and is prepared to commit sufficient resources to utilize Federal funds effectively in the current fiscal year. DOT is confident that the funds can be promptly obligated. Your withdrawal of the proposal to cancel this funding would allow the orderly obligation of these funds to proceed.

The combination of these actions would not affect the aggregate amount of FY 2001 supplemental funding proposed and is, therefore, within the statutory discretionary spending caps enacted by Congress last year.

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

Sincerely,

A handwritten signature in black ink, appearing to read "ME Daniels Jr". The signature is written in a cursive, slightly slanted style.

Mitchell E. Daniels, Jr.
Director

Enclosures

DEPARTMENT OF DEFENSE

OPERATION AND MAINTENANCE

Overseas Contingency Operations Transfer Account

Of the amounts provided in Title II of the Department of Defense Appropriations Act, 2001, under the heading, "Overseas Contingency Operations Transfer Account," \$61,000,000 is hereby canceled.

This proposal would reduce FY 2001 unobligated balances available in the Overseas Contingency Operations Transfer Account. The funds could not be obligated as planned for the intended purposes. The reduction would not impact current operations.