

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

June 7, 2010

The Honorable Nancy Pelosi Speaker of the House of Representative Washington, DC 20515

Dear Madam Speaker:

I am writing to urge the Congress to move quickly in enacting the FY 2010 Supplemental request. On June 4, 2010, Secretary Napolitano announced that the Coast Guard believes that within the next two weeks funding levels in the Oil Spill Liability Trust Fund's expenditure account will drop to levels that will force the Federal On-Scene Coordinator to begin to cut back Federal Deepwater Horizon response activities. We cannot allow the lack of funding to hamstring our Federal response to this national catastrophe.

On May 12, the Administration proposed legislation to support the BP/Deepwater Horizon response and speed assistance to people in need. Included in this package was a provision that would permit the Coast Guard and its National Pollution Funds Center to move funds from the Oil Spill Liability Trust Fund to the Emergency Fund so that the Federal response effort can continue without interruption. Specifically, the legislative changes would permit the Coast Guard to obtain additional advances in tranches of \$100 million up to the incident cap for the Oil Spill Liability Trust Fund. All of these costs are being billed to the responsible parties and the receipts will be deposited in the Trust Fund.

The President has ordered Federal agencies to bring all available and appropriate resources to bear in response to this disaster. Without legislative authorization, however, the Coast Guard cannot access the additional emergency fund resources necessary to pay for the Federal agencies' response to this tragic oil spill.

We appreciate your support in moving this critical legislation forward in the coming days.

Peter R. Orszag

Director