

THE WHITE HOUSE
WASHINGTON

May 18, 2000

The Speaker of the

House of Representatives

Sir:

I ask the Congress to consider the enclosed requests for FY 2001 budget amendments for the Department of Defense. The proposals would revise the funding requested in the FY 2001 Budget for the Global Positioning System satellite program. The discretionary resources proposed in the budget would not be increased by these amendments, and the FY 2001 surplus would not be diminished.

This transmittal also contains FY 2001 budget amendments for the Legislative Branch. As required by law, budget requests for the Legislative Branch are transmitted without change.

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, reading "William J. Clinton". The signature is written in a cursive style with a large, stylized "W" and "C".

Enclosure



THE DIRECTOR

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

May 18, 2000

The President

The White House

Submitted for your consideration are requests for FY 2001 budget amendments for the Department of Defense (DOD). Together, the two amendments would decrease the budget authority requested in your FY 2001 Budget by \$19.6 million and would have no effect on FY 2001 outlays.

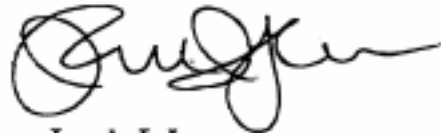
The FY 2001 Budget included a program to modernize the Global Positioning System (GPS) satellites in order to improve civil and military navigation, positioning, and timing services worldwide. After the budget was submitted to the Congress, the Air Force and the Defense Science Board reviewed the GPS modernization program and determined that some aspects of the program contained unacceptably high risks. The proposed amendments would restructure the modernization program to reduce those risks while ensuring that enhanced military and civil GPS capabilities remain a priority.

The proposed amendments would increase funding requested for the design and development of modernized GPS satellites by \$10.8 million and would decrease funding for GPS procurement by \$30.4 million. These proposals would have no net effect on estimated FY 2001 outlays. In addition, DOD will redirect \$4.5 million within GPS procurement activities to support additional advance parts purchases. The Administration has submitted to the Congress an FY 2000 reprogramming proposal that would allow necessary work on the revised GPS program to begin this year. Together, the reprogramming action and the budget amendments would provide adequate FY 2000 and FY 2001 funding to integrate both civil and military improvements into existing satellite designs. The additional FY 2001 funding would also enable DOD to begin a new satellite design and development effort to enhance GPS capabilities further with more extensive military signal improvements.

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

This transmittal also contains two FY 2001 budget amendments for the Legislative Branch. As required by law, budget requests for the Legislative Branch are transmitted without change.

Sincerely,

A handwritten signature in black ink, appearing to read "Jacob J. Lew", with a stylized, flowing script.

Jacob J. Lew
Director

Enclosures

Agency:	DEPARTMENT OF DEFENSE
Bureau:	PROCUREMENT
Heading:	Missile Procurement, Air Force
FY 2001 Budget Appendix Page:	282
FY 2001 Pending Request:	\$3,061,715,000
Proposed Amendment:	-\$30,369,000
Revised Request:	\$3,031,346,000

This amendment would reduce the pending FY 2001 request for Missile Procurement, Air Force by \$30.4 million as part of a proposal to restructure the Global Positioning System (GPS) satellite program. The proposal to restructure the GPS modernization program would reduce identified risks while providing enhanced military and civil capabilities.

The Department of Defense will also realign \$4.5 million within this procurement account to finance advance parts purchases that would be deferred from FY 2000 to FY 2001 as part of the program restructuring. Source funds are available because the restructured program allows for a one-year delay in some GPS Block IIR and IIF production costs.

The proposed decrease in budget authority would fully offset the proposed increase in GPS research and development proposed in an accompanying budget amendment. Taken together, the amendments would not affect FY 2001 outlays.

Agency:	DEPARTMENT OF DEFENSE
Bureau:	RESEARCH, DEVELOPMENT, TEST, AND EVALUATION
Heading:	Research, Development, Test and Evaluation, Air Force
FY 2001 Budget Appendix Page:	291
FY 2001 Pending Request:	\$13,685,576,000
Proposed Amendment:	\$10,783,000
Revised Request:	\$13,696,359,000

This amendment would increase the pending FY 2001 request for Research, Development, Test and Evaluation, Air Force by \$10.8 million as part of a proposal to restructure the Global Positioning System (GPS) satellite program. The proposal to restructure the GPS modernization program would reduce identified risks while providing enhanced military and civil capabilities.

The proposed increase in budget authority would be offset by a decrease in GPS procurement proposed in an accompanying budget amendment. Taken together, the amendments would not affect FY 2001 outlays.

Agency: LEGISLATIVE BRANCH

Bureau: JOINT ITEMS

Heading: Capitol Police Board, Capitol Police, Salaries

Previous Budget
Amendment Dated: April 21, 2000

FY 2001
Pending Request: \$100,898,000

Proposed Amendment: \$5,172,000

Revised Request: \$106,070,000

(In the appropriations language under the above heading, delete "\$100,898,000" and substitute \$106,070,000; delete "\$49,366,000" and substitute \$51,952,000; and, delete "\$51,532,000" and substitute \$54,118,000.)

This amendment would increase the pending request for salaries of the Capitol Police by \$5.2 million, equally divided between the House and Senate. (An amendment transmitted on April 21, 2000, decreased the FY 2001 request in the budget by \$0.4 million.)

The requested additional funding would be used to increase staff levels and overtime funds in order to staff each access point fully with at least two officers.

This amendment would increase FY 2001 outlays by \$5.2 million.

Agency: LEGISLATIVE BRANCH

Bureau: JOINT ITEMS

Heading: Capitol Police Board

FY 2001 Budget

Appendix Page: 20

FY 2001

Pending Request: -----

Proposed Amendment: \$2,750,000

Revised Request: \$2,750,000

(Insert the subheading and appropriations language that follows immediately after the material under the subheading "General Expenses.")

Security Enhancements

For the Capitol Police Board for security enhancements to the Capitol complex, \$2,750,000, to remain available until expended.

This proposal would provide \$2.8 million in new funding in FY 2001 for security enhancements to the Capitol complex.

The amendment would increase FY 2001 outlays by \$2.8 million.