

THE WHITE HOUSE

WASHINGTON

November 9, 2001

Dear Mr. Speaker:

In accordance with provisions of P.L. 107-38, the Emergency Supplemental Appropriations Act for Recovery from and Response to Terrorist Attacks on the United States, FY 2001, today I have authorized transfers from the Emergency Response Fund totaling \$9.3 billion for emergency recovery and response and national security activities listed in the enclosed letter from the Director of the Office of Management and Budget. As provided in P.L. 107-38, \$1.7 billion will be made available immediately and \$7.5 billion of these funds will be made available 15 days from the date of this transmittal.

These funds are in addition to the \$9.7 billion that I previously authorized for transfer and will allow our Government to continue to address the consequences arising from the terrorist attacks of September 11, 2001.

With this action, I have transferred all but \$1 billion of the funds that were made available to me. It is now time for Congress to act without delay on the final \$20 billion in critical defense and domestic needs that I requested on October 17th. My Administration does not intend to seek additional supplemental funding for either domestic or defense needs for the remainder of this session of Congress.

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", is written over a faint, large, light-colored watermark that also appears to read "George W. Bush".

The Honorable J. Dennis Hastert
Speaker of the House of Representatives
Washington, D.C. 20515

Enclosure



THE DIRECTOR

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

November 8, 2001

The President

The White House

Submitted for your consideration are requests to make available by transfer previously appropriated funds provided in P.L. 107-38, the Emergency Supplemental Appropriations Act for Recovery from and Response to Terrorist Attacks on the United States, FY 2001. You have previously authorized the transfer of \$9.7 billion from the Emergency Response Fund (ERF).

Your approval of these additional requests would transfer a total of \$9.3 billion from the ERF to the Departments of Agriculture, Defense, Justice, State, Transportation, and the Treasury; International Assistance Programs; and the Broadcasting Board of Governors. The funding would address consequences of the attacks, including funding for: food and refugee assistance to Afghanistan, Pakistan, and other neighboring countries; economic and security assistance to Uzbekistan, Turkey, and other countries in the region; additional sky marshals; purchase of additional security equipment for the Nation's airports; repair of the Pentagon; and national security operations.

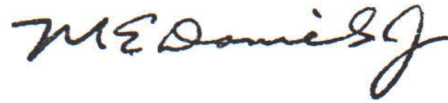
These requests represent the sixth round of transfers from the ERF to respond to urgent requirements arising from the September 11th terrorist attacks. Pursuant to P.L. 107-38, \$1.7 billion will be made available immediately without further congressional review and an additional \$7.5 billion of these funds will be made available 15 days after this designation is forwarded to Congress.

Under the Emergency Supplemental Appropriations Act, \$20 billion of the \$40 billion was appropriated without further action by Congress. With this latest transfer, you will have made \$19 billion of this \$20 billion available to agencies to meet national security, homeland security, and domestic recovery purposes.

The final \$20 billion is only available once Congress enacts another law making these funds available for obligation. On October 17th, you requested that Congress enact approval of the \$20 billion and we will continue to work with the Congress to ensure the quick enactment of your request so that recovery and response from the attacks can continue without interruption.

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 your approval of the transfers described in the enclosure.

Sincerely,

A handwritten signature in dark ink, appearing to read "M E Daniels Jr", with a stylized flourish at the end.

Mitchell E. Daniels, Jr.
Director

Enclosure

**EMERGENCY APPROPRIATIONS: AMOUNTS PREVIOUSLY APPROPRIATED TO
BE TRANSFERRED BY THE PRESIDENT FROM
THE EMERGENCY RESPONSE FUND**

Available Immediately:

Department of Agriculture

Foreign Agricultural Service

P.L. 480 Grants (Title II) \$23,000,000

These funds will be used to provide U.S. food to Afghanistan and other countries in the region to mitigate the impact of the ongoing conflict and drought. The United Nations' World Food Program, private voluntary organizations, and possibly commercial traders will distribute these commodities.

Department of Defense -- Military \$930,494,000

These resources will provide funding for: increased situational awareness (\$392.5 million); repair of the Pentagon (\$339.0 million); improved command and control (\$71.0 million); increased worldwide posture (\$50.0 million); initial crisis response (\$43.0 million); and enhanced force protection (\$35.0 million).

Department of the Treasury

Departmental Offices

Salaries and Expenses \$9,400,000

On October 17th, the Administration requested \$9.4 million in appropriations to fund the administrative expenses of the Air Transportation Stabilization Board, which was created pursuant to the Air Transportation Safety and System Stabilization Act. To date, Congress has not yet acted upon the Administration's request. Due to Congress' clear desire to ensure timely action by the Board on the \$10 billion airline loan guarantee program, this transfer would provide the necessary resources for staff, facilities, equipment, and other support for the Board to administer the guaranteed loan program for the airline industry.

International Assistance Programs

Agency for International Development (AID)

Operating Expenses \$13,000,000

International Disaster Assistance (IDA) \$76,000,000

Assistance for the Independent States of the former Soviet Union \$46,500,000

International Security Assistance

Economic Support Fund (ESF) \$500,000,000

Foreign Military Financing Program (FMF) \$45,000,000

Nonproliferation, Anti-terrorism, Demining and Related (NADR) \$97,700,000

These funds include:

- for AID's operating expenses, \$13.0 million to relocate overseas staff to more secure facilities, provide immediate security upgrades for existing overseas facilities, and implement the expanded humanitarian assistance program for Afghanistan;
- for IDA, \$76.0 million to procure non-U.S. food for distribution, support winterization, health, and nutritional programs, and improve the United Nations' World Food Program's capacity to deliver food in Afghanistan;
- for the Independent States of the former Soviet Union, \$40.5 million in economic and law enforcement assistance for Uzbekistan and \$6.0 million for a Central Asia regional program on conflict prevention;
- for ESF, \$500.0 million in economic assistance for Pakistan to provide immediate budget assistance for priority sectors, including health, education and infrastructure projects, and district-based rural works employment programs;
- for FMF, \$45.0 million in grants for defense services and equipment for Turkey and Uzbekistan; and
- for NADR, \$45.5 million for specialized training and equipment for foreign governments to prevent and respond to terrorist incidents, \$42.2 million for training and equipment for border security forces in Uzbekistan, Tajikistan, Turkmenistan, Turkey, Kyrgyzstan, Azerbaijan, and Kazakhstan, \$4.0 million for the Terrorist Interdiction Program, \$3.0 million for international counterterrorism engagement, and \$3.0 million to carry out critical humanitarian demining projects in Afghanistan.

Available After 15 Days:

Department of Defense -- Military \$7,005,300,000

These resources will provide funding for: increased worldwide posture (\$2,643.3 million); National Guard personnel providing airport security (\$23.0 million); increased situational awareness (\$1,909.0 million); offensive counterterrorism (\$1,067.0 million); enhanced force protection (\$714.0 million); improved command and control (\$527.0 million); initial crisis response (\$72.0 million); and repair of the Pentagon (\$50.0 million).

Department of Justice

Federal Bureau of Investigation (FBI)

Salaries and Expenses \$39,700,000

These funds will be used to help the FBI in its on-going effort to upgrade its information technology infrastructure in light of the increased demands of the investigation into the terrorist attacks of September 11th.

Department of State

Administration of Foreign Affairs	
Diplomatic and Consular Programs	\$80,600,000
Embassy Security, Construction, and Maintenance	\$52,850,000
Emergencies in the Diplomatic and Consular Service	\$10,000,000
Other	
Migration and Refugee Assistance	\$50,000,000

These resources include: for Diplomatic and Consular Programs, \$66.7 million for security enhancements at State Department facilities, \$10.0 million for diplomatic security improvements and mail safety, \$3.7 million for additional medical service requirements, including providing health units in all overseas posts that currently do not have them, and \$0.2 million for staff at the Intelligence Community's Counterterrorism Center; for Embassy Security, Construction, and Maintenance, \$34.9 million for security improvements at U.S. embassy compounds and \$18.0 million for emergency egress projects; for Emergencies in the Diplomatic and Consular Service, \$10.0 million to reimburse the Department of Defense for transporting specialized equipment to assist U.S. operations and host governments or to evacuate U.S. personnel; and for Migration and Refugee Assistance, \$50.0 million to provide assistance to potential new refugees in Pakistan and other neighboring countries.

Department of Transportation

Federal Aviation Administration	
Operations	\$170,000,000
Facilities and Equipment	\$87,500,000

These funds will provide for additional Federal Air Marshals and necessary management and support personnel to increase U.S. aviation security (\$170.0 million), as well as support the accelerated purchase of planned security equipment for airport baggage and passenger screening, including explosives detection systems, trace detection devices, threat-image projection x-rays, and computer-based training modules (\$87.5 million).

Broadcasting Board of Governors

Broadcasting Capital Improvements	\$16,400,000
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These funds will be used to establish two, high-powered, AM transmitting facilities in the Middle East and additional FM capability to reach audiences in the region.