

104th Congress, 1st Session - - - - - House Document 104-39

AMENDMENTS TO THE FY 1996 APPROPRIATIONS

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

AMENDMENTS TO THE FY 1996 APPROPRIATIONS REQUESTS FOR THE DEPARTMENTS OF COMMERCE, EDUCATION, ENERGY, AND THE INTERIOR, AND THE U.S. ARMY CORPS OF ENGINEERS, AS WELL AS A REVISION TO AN FY 1995 SUPPLEMENTAL PROPOSAL FOR THE DEPARTMENT OF LABOR, PURSUANT TO 31 U.S.C. 1106(b)



FEBRUARY 22, 1995.—Referred to the Committee on Appropriations and ordered to be printed

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WASHINGTON : 1995

THE WHITE HOUSE,
Washington, DC, February 22, 1995.

The Speaker of the House of Representatives.

SIR: I ask the Congress to consider amendments to the FY 1996 appropriations requests for the Departments of Commerce, Education, Energy, and the Interior, and the U.S. Army Corps of Engineers.

Included in this package are budget amendments totaling \$340.5 million that represent an initial installment in savings from the second phase of our effort to reinvent Government. These reductions to the pending requests for FY 1996 appropriations were assumed in the Budget. Additional budget amendments related to this effort will be submitted in the near future.

In addition, an increase of \$35 million in FY 1996 budget authority is requested for the Department of Education to fund the Education Infrastructure program. This increase is offset by a reduction in the FY 1996 appropriations request for the Clean Coal Technology program in the Department of Energy.

This package also contains a revision to an FY 1995 supplemental proposal for the Department of Labor submitted in the FY 1996 Budget.

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 her comments and observations.

Sincerely,

WILLIAM J. CLINTON.

Enclosure.

Estimate No. 5, 104th Cong., 1st Sess.

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, February 22, 1995.

The PRESIDENT,
The White House.

Submitted for your consideration are amendments to your FY 1996 appropriations requests now pending before Congress. These budget amendments would implement proposals that are included in Phase II of the Administration's reinventing Government initiative and that do not require substantive changes in authorizing legislation. The savings of \$340.5 million in FY 1996 budget authority that would be realized by these proposals are assumed in your FY 1996 Budget. Over a five-year period—from FY 1996 to FY 2000—the effect of these proposals would be to reduce budget authority by \$4.7 billion.

As described in the enclosures, these amendments would reduce the pending FY 1996 appropriations requests as follows:

Department of Commerce. Savings of \$3.3 million would result from privatizing specialized weather services provided to aviation, marine, and agricultural communities by the National Weather Service.

Department of Education. Savings of \$112.7 million would result from eliminating ten small Education programs. Restructuring the impact aid program would produce additional savings of \$31 million.

Department of Energy. Reinventing the Department of Energy would yield savings of \$144.5 million, including: \$25 million from streamlining Department of Energy contracts; \$109.5 million from streamlining and realigning the Department's energy programs, including the national laboratories; and \$10 million from Energy conservation reductions.

Department of the Interior. Streamlining and consolidation within the Bureau of Mines would produce savings of \$20 million.

U.S. Army Corps of Engineers. Savings of \$29 million would result from focusing the Corps' efforts on projects of national, rather than local, significance.

In addition to the reduction proposals discussed above, an increase of \$35 million in FY 1996 budget authority is requested for the Department of Education to fund the Education Infrastructure program. This increase would be offset by a reduction in the Department of Energy's Clean Coal Technology program.

Also submitted for your consideration is a revision to an FY 1995 supplemental for the Employment and Training Administration in the Department of Labor, which was transmitted in the FY 1996 Budget. This revised proposal reflects additional budget authority savings of \$36.7 million due to lower postage expenses and less de-

mand for administrative grant funds. These FY 1995 savings would offset a proposal to decrease the amount of a Department of Education rescission contained in the FY 1996 Budget, which is submitted for your consideration in a separate transmittal.

I have carefully reviewed these proposals and am satisfied that they are needed at this time. Therefore, I join the heads of the affected departments and agencies in recommending that they be transmitted to the Congress.

Additional budget amendments will be submitted in the near future to implement additional aspects of Phase II of the Administration's reinventing Government initiative.

Sincerely,

ALICE M. RIVLIN,
Director.

Enclosures.

DEPARTMENT OF COMMERCE—NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

1996 budget appendix page	Heading	1996 budget request pending	1996 proposed amendment	1996 revised request
266	Operations, research, and facilities	\$2,028,800,000	-\$3,265,000	\$2,025,535,000

(In the appropriations language under the above heading, delete “\$2,031,800,000” and substitute \$2,028,535,000; and delete “\$2,028,800,000” and substitute \$2,025,535,000.)

This proposal is part of the second phase of the Administration's reinventing Government initiative. The amendment would reduce the general fund appropriations request for this account by \$3,265,000. This reduction is possible due to privatization of portions of the National Weather Service. Specific portions of the National Weather Service that will be privatized include specialized weather services provided to aviation, marine, and agricultural communities.

This reduction proposal was included in the FY 1996 Budget as an item to be transmitted to the Congress at a later date. The proposed budget totals would not be affected.

DEPARTMENT OF DEFENSE-CIVIL—CORPS OF ENGINEERS-CIVIL

1996 budget appendix page	Heading	1996 budget request pending	1996 proposed amendment	1996 revised request
365	General investigations	\$171,625,000	-\$16,000,000	\$155,625,000

This proposal is part of the second phase of the Administration's reinventing Government initiative. The FY 1996 budget authority reduction is possible because responsibility for local water projects and other programs will be shifted to the States and local communities. The Corps of Engineers would not begin new reconnaissance or feasibility studies or new pre-construction engineering and design for local flood protection and storm damage prevention projects.

This reduction proposal was included in the FY 1996 Budget as an item to be transmitted to the Congress at a later date. The proposed budget totals would not be affected.

DEPARTMENT OF DEFENSE-CIVIL—CORPS OF ENGINEERS-CIVIL

1996 budget appendix page	Heading	1996 budget request pending	1996 proposed amendment	1996 revised request
367	Construction, general	\$798,125,000	-\$13,000,000	\$785,125,000

This proposal is part of the second phase of the Administration's reinventing Government initiative. Under this proposal, the Corps of Engineers would only begin new regular construction on projects determined to be of national significance and would discontinue its aquatic plant control program. Nationally significant projects are

those that would address commercial navigation, interstate flooding problems, and environmental restoration. There would be no new construction of local flood protection or storm damage reduction projects in FY 1996 or future years. Flood control projects in which the Federal Government would continue to participate in future years would include those in which over half of the flood waters come from outside the State, the benefits are at least twice the costs, and the cost-sharing partner is willing and able to contribute 75 percent of the cost of the project.

This reduction proposal was included in the FY 1996 Budget as an item to be transmitted to the Congress at a later date. The proposed budget totals would not be affected.

DEPARTMENT OF EDUCATION—OFFICE OF ELEMENTARY AND SECONDARY EDUCATION

1996 budget appendix page	Heading	1996 budget request pending	1996 proposed amendment	1996 revised request
384	Impact aid	\$650,000,000	-\$31,000,000	\$619,000,000

(In the appropriations language under the above heading, delete “\$650,000,000” and substitute \$619,000,000; delete “\$581,000,000” and substitute \$550,000,000; and insert the following immediately before the period at the end of the paragraph: *Provided, That payments and eligibility under section 8003 shall be based only on federally connected children described in sections 8003(a)(1)(B) and 8003(a)(1)(C). Provided further, That notwithstanding the provisions of section 8003(b)(1)(B), any local educational agency that received a payment based on federally connected children described in sections 8003(a)(1)(B) and 8003(a)(1)(C) for fiscal year 1995 shall be eligible to receive a payment under sections 8003(b) and 8003(d) for fiscal year 1996: Provided further, That notwithstanding the provisions of section 8003(b)(1)(C), the maximum amount of the basic support payment shall be determined by multiplying each local educational agency's weighted student units for federally connected children described in sections 8003(a)(1)(B) and 8003(a)(1)(C) by the factor described under section 8003(b)(1)(C)(iv): Provided further, That notwithstanding the provisions of section 8003(b)(2), if funds provided are insufficient to pay each local educational agency the full amount of its payment calculated under section 8003(b)(1)(C), then payments shall be ratably reduced: Provided further, That none of the funds provided shall be used for payments under section 8003(e)*)

This proposal is part of the second phase of the Administration's reinventing Government initiative. The proposal would delete a portion of the appropriations request for Basic Support Payments under the Impact aid account and would limit payments to those made on behalf of two categories of federally connected children: children who live on Federal property with a parent in the uniformed services, and children who live on Indian lands. This amendment would also make conforming changes in the authorizing statute and modify the formula to provide equitable payments on behalf of these two categories of children.

This reduction proposal was included in the FY 1996 Budget as an item to be transmitted to the Congress at a later date. The proposed budget totals would not be affected.

DEPARTMENT OF EDUCATION—OFFICE OF ELEMENTARY AND SECONDARY EDUCATION

1996 budget appendix page	Heading	1996 budget request pending	1996 proposed amendment	1996 revised request
385	School improvement	\$1,512,277,000	\$33,054,000	1,545,331,000 programs

(In the appropriations language under the above heading, delete “and V,” and substitute *V, and XII;* delete “\$1,512,277,000” and substitute \$1,545,331,000; delete “\$1,230,000,000” and substitute \$1,265,000,000; and insert the following immediately before the period at the end of the paragraph: *, and \$35,000,000 shall be for education infrastructure grants under title XII of said Act: Provided further, That notwithstanding sections 12004(b) and 12005(b) of said Act, funds shall be available for awards only to local educational agencies serving an empowerment zone, supplemental empowerment zone, or enterprise community designated by the Department of Housing and Urban Development or the Department of Agriculture, for projects in education facilities within the boundaries of such zone or community.*)

This amendment would increase the pending appropriations request for this account by a net \$33,054,000.

As part of the second phase of the Administration's reinventing Government initiative, the appropriations request for the Christa McAuliffe Fellowships program is proposed for deletion. This program is being eliminated as a free-standing program in order to reduce the number of categorical programs and to provide savings. However, in order to retain the memorial to Christa McAuliffe and to continue to provide fellowships for teachers, a similar fellowship competition will be carried out in her name under the Eisenhower Professional Development Federal Activities authority under the Education, research, statistics, and improvement account. The new fellowship competition will be funded at \$2 million but will be more streamlined for States and individuals and will reduce paperwork and program duplication. This reduction proposal was included in the FY 1996 Budget as an item to be transmitted to the Congress at a later date. The proposed budget totals would not be affected.

In addition, this amendment would increase the appropriations request for the School Improvement Programs account by \$35 million for education infrastructure grants. Language is included to provide awards only to local educational agencies serving empowerment zones and enterprise communities, and to require that funds be used for school facilities within empowerment zones and enterprise communities. The additional resources for the education infrastructure grants would increase FY 1996 outlays by \$4.2 million.

DEPARTMENT OF EDUCATION—OFFICE OF POSTSECONDARY EDUCATION

1996 budget appendix page	Heading	1996 budget request pending	1996 proposed amendment	1996 revised request
397	Higher education	\$931,511,000	-\$110,739,000	\$820,772,000

(Delete all of the language that appears under this heading and substitute the following:

For carrying out, to the extent not otherwise provided, titles I, III, *without regard to section 360(a)(1)(B)(ii), IV, [including chapter 2 of subpart 2 of part A] V, VI, VII, IX, [VIII,] and part A and subpart 1 of part B [I, and part D] of title X [I, and XI, without regard to section 1151,] of the Higher Education Act of 1965, as amended; and the Mutual Educational and Cultural Exchange Act of 1961 [; title VI, including part C, of the Excellence in Mathematics, Science and Engineering Education Act of 1990; section 1521 of the Higher Education Amendments of 1986 as amended by Public Law 103-239, to be administered by the Secretary of Education; part E of title XV of the Higher Education Amendments of 1992; and Public Law 102-423, \$962,842,000], \$820,772,000, of which [\$8,060,000] \$2,015,000 for endowment activities under [section 331 of] part C of title III and [\$17,512,000] \$16,712,000 for interest subsidies under title VII of the Higher Education Act [, as amended, and \$4,000,000 for Public Law 102-423] shall remain available until expended [, and \$1,000,000 of the amount provided herein for title III shall be available for an evaluation of the title III programs.] : *Provided, That funds available for part C of title III of the Higher Education Act shall be available only for awards to recipients that are title III, part B institutions, as defined in section 322(2).*)*

This proposal is part of the second phase of the Administration's reinventing Government initiative. The proposal would delete a portion of the appropriations request for the Higher education account. The amendment would reduce funding for the Strengthening Institutions program consistent with a two-year phase-out of the program, and would eliminate funding for the following programs: the non-Historically Black Colleges and Universities (HBCU) portion of the Endowment Grants program, Innovative Projects for Community Service, National Science Scholars, Douglas Teacher Scholarships, Harris Fellowships, Javits Fellowships, and Legal Training for the Disadvantaged. Specific activities that would be reduced are as follows:

Strengthening institutions	\$80,000,000	-\$40,000,000	\$40,000,000
Endowment grants	8,060,000	-6,045,000	2,015,000
Program development	99,878,000	-14,423,000	85,455,000
Scholarships	57,140,000	-19,023,000	38,117,000
Graduate fellowships	59,268,000	-28,284,000	30,984,000
Legal training for the disadvantaged	2,964,000	-2,964,000	0

This reduction proposal was included in the FY 1996 Budget as an item to be transmitted to the Congress at a later date. The proposed budget totals would not be affected.

DEPARTMENT OF ENERGY—ATOMIC ENERGY DEFENSE ACTIVITIES

1996 budget appendix page	Heading	1996 budget request pending	1996 proposed amendment	1996 revised request
425	Weapons activities	\$3,565,175,000	-\$25,000,000	\$3,540,175,000

This proposal is part of the second phase of the Administration's reinventing Government initiative. The proposal reflects anticipated savings from a program to streamline Department of Energy contracts. The actual savings may occur in this account or in other

accounts under this title. Appropriations language submitted for this account with the FY 1996 Budget provides that in the event some portion of these savings are achieved in other accounts under this title, amounts equal to such savings may be transferred to this account without regard to the requirements or limitations of section 302 of Public Law 102-377.

This reduction proposal was included in the FY 1996 Budget as an item to be transmitted to the Congress at a later date. The proposed budget totals would not be affected.

DEPARTMENT OF ENERGY—ENERGY PROGRAMS

1996 budget appendix page	Heading	1996 budget request pending	1996 proposed amendment	1996 revised request
432	Energy supply, research and development activities.	\$3,506,035,000	-\$109,500,000	\$3,396,535,000

This proposal is part of the second phase of the Administration's reinventing Government initiative. The proposal reflects reductions possible due to the Department of Energy's (DOE's) streamlining and realignment activities and includes: (1) a \$10 million reduction in Solar and Renewable Energy R&D as part of the Department's applied R&D reductions; (2) \$50 million in anticipated savings from consolidation of DOE laboratory activities in response to the report on Alternative Futures for DOE national laboratories; and (3) a \$49.5 million reduction possible due to reductions and efficiencies realized in the current budget year. The expected savings from laboratory consolidation may not all occur in programs funded under this account hearing. If they occur in other programs, the appropriation language submitted in the FY 1996 Budget would allow transfers of funds from the programs where savings accrue into the Energy supply R&D account. This will ensure that savings are accounted for correctly.

This reduction proposal was included in the FY 1996 Budget as an item to be transmitted to the Congress at a later date. The proposed budget totals would not be affected.

DEPARTMENT OF ENERGY—ENERGY PROGRAMS

1996 budget appendix page	Heading	1996 budget request pending	1996 proposed amendment	1996 revised request
439	Energy conservation	\$933,561,000	-\$10,000,000	\$923,561,000

This proposal is part of the second phase of the Administration's reinventing Government initiative. The amendment would reduce the appropriations request for this account by \$10 million. This reduction is possible due to the Department's streamlining and realignment processes.

This reduction proposal was included in the FY 1996 Budget as an item to be transmitted to the Congress at a later date. The proposed budget totals would not be affected.

DEPARTMENT OF ENERGY—ENERGY PROGRAMS

1996 budget appendix page	Heading	1996 budget request pending	1996 proposed amendment	1996 revised request
445	Clean coal technology	\$44,981,000	\$ - 35,000,000	\$9,981,000

(In the appropriations language under the above heading, delete “\$20,000,000 on October 1, 1995 and”; and delete “\$24,981,000” and substitute \$9,981,000).

Pursuant to the FY 1995 Interior appropriations bill, \$200 million will become available for the Clean Coal Technology program in FY 1996. This amendment proposes to reduce this amount by \$35 million, for a revised total of \$165 million in FY 1996. It is anticipated that some projects currently in the program will not proceed to construction and operation for a variety of factors. For this reason, a reduction of this portion of the advance appropriation will not affect the Department of Energy's ability to accomplish its mission successfully.

DEPARTMENT OF THE INTERIOR—BUREAU OF MINES

1996 budget appendix page	Heading	1996 budget request pending	1996 proposed amendment	1996 revised request
570	Mines and minerals	\$152,507,000	-\$20,000,000	\$132,507,000

This proposal is part of the second phase of the Administration's reinventing Government initiative. As part of this initiative, the Bureau of Mines (USBM) would emphasize priority functions such as environmental remediation and health and safety. The reduction in the pending request is possible due to streamlining of bureau functions and the consolidation of field offices and research centers into four research centers to focus research efforts on: (1) environmental remediation; (2) pollution prevention and control; (3) health and safety; and (4) materials research partnerships. Programs more appropriately conducted by States or the private sector (e.g., Federal financial support for the 30 Mineral Institutes) would be eliminated.

This reduction proposal was included in the FY 1996 Budget as an item to be transmitted to the Congress at a later date. The proposed budget totals would not be affected.

*Revised Request*DEPARTMENT OF LABOR—EMPLOYMENT AND TRAINING
ADMINISTRATIONSTATE UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICE
OPERATIONS

Funds made available under this heading in Public Law 103-333 are reduced from \$3,269,097,000 to \$3,228,397,000.

This request revises an FY 1995 supplemental proposal contained in the FY 1996 Budget that reflected \$4 million in budget authority savings in postage expenses. These postage expenses are paid by the Department of Labor on behalf of State employment security agencies that operate the unemployment insurance program. As the Budget proposal noted, the U.S. Postal Service has changed

the methodology for calculating postal charges from a sampling survey to actual costs which, along with improved State mail management practices, has resulted in lower postage charges. Additional budget authority savings of \$3.8 million have been identified, for total postage expense savings of \$7.8 million. FY 1995 outlays would be decreased by \$3.8 million from the totals shown in the FY 1996 Budget.

In addition, this revised request reflects budget authority savings of \$32.9 million in administrative grant funds. These administrative grants go to State agencies that pay unemployment compensation to eligible workers and collect State unemployment taxes from employers. Administrative grants are based on projected workload. Because economic conditions have improved, not all of the administrative funds appropriated for FY 1995 will be needed. The FY 1996 Budget includes the outlay effects of the improved economic conditions. This proposal would provide the corresponding reduction in budget authority.

This account obtains offsetting collections from the Unemployment Trust Fund.

