

COMMODITY CREDIT CORPORATION
BUDGET PROGRAM REVISIONS

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

NOTIFICATION OF BUDGET PROGRAM REVISIONS FOR THE COM-
MODITY CREDIT CORPORATION FOR FY 1998 AND FY 1999 TO-
TALING \$600 MILLION, PURSUANT TO 15 U.S.C. 714c



AUGUST 4, 1998.—Referred to the Committee on Appropriations and
ordered to be printed

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THE WHITE HOUSE,
Washington, August 3, 1998.

The SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: As required by Section 5 of the Commodity Credit Corporation Act (15 U.S.C. 714c) and the Government Corporation Control Act (31 U.S.C., Chapter 91), I hereby notify Congress of budget program revisions for the Commodity Credit Corporation (CCC) for FY 1998 and FY 1999. The revisions, totaling up to \$600 million, would support the purchase and donation of domestic wheat and other surplus commodities.

For FY 1998, the FY 1999 Budget estimate for CCC of \$8,814 million in net outlays would be increased by \$150 million, to \$8,964 million. The FY 1999 estimate of \$8,935 million in net outlays would be increased by up to \$450 million, to \$9,385 million.

The details of this action 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,

WILLIAM J. CLINTON.

Enclosure.

[Estimate No. 11, 105th Cong., 2d Sess.]

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, August 3, 1998.

The PRESIDENT,
The White House.

Submitted for your consideration is a request for FY 1998 and FY 1999 budget revisions totaling up to \$600 million for the purchase and donation of domestic wheat and other surplus commodities.

In accordance with Section 5 of the Commodity Credit Corporation Act (15 U.S.C., 714c) and the Government Corporation Control Act (31 U.S.C., Chapter 91), this request would constitute an official revision of the budget program for the Commodity Credit Corporation (CCC) for FY 1998 and FY 1999. For FY 1998, the FY 1999 Budget estimate for CCC of \$8,814 million in net outlays would be increased by \$150 million, to \$8,964 million. OMB projects that the FY 1999 estimate of \$8,935 million in net outlays would be increased by up to \$450 million, to \$9,385 million.

The funds will be used to implement the plan you announced on July 18, 1998. More than 80 million bushels of U.S. wheat, wheat flour, and possibly other commodities will be purchased by CCC and donated overseas to relieve hunger in needy areas of the world and to strengthen domestic crop prices. The Secretary of Agriculture has found wheat to be in surplus at this time, and OMB concurs in his determination. The current estimated funding needs of up to \$600 million in FYs 1998 and 1999 will allow the purchase of commodities, the ocean freight, and the internal distribution of the food in the destination countries. The recipient countries and allocations are being determined by the Administration and international aid organizations, and will likely include Indonesia and Sudan. The current cost estimates have changed since mid-July because of the substantially higher projected cost for internal food distribution in the recipient countries. These costs will be refined, and possibly reduced, as a firm donation plan is developed with the United Nation's World Food Program and private voluntary organizations through consultations now underway.

I have carefully reviewed this proposal and am satisfied that it is necessary at this time. Therefore, I join the Secretary of Agriculture in recommending that you approve the budget program revisions by signing the enclosed letter to the Speaker of the House of Representatives. No further congressional action will be required.

Sincerely,

JACOB J. LEW, *Director.*

Enclosure.

NOTIFICATION REQUIRED BY THE COMMODITY CREDIT CORPORATION
AND THE GOVERNMENT CORPORATION CONTROL ACT

In accordance with Section 5 of the Commodity Credit Corporation Act (15 U.S.C. 714c) and the Government Corporation Control Act (31 U.S.C., Chapter 91), the President has revised the budget program for the Commodity Credit Corporation (CCC) for FY 1998 and FY 1999. For FY 1998, the FY 1999 Budget estimate for CCC of \$8,814 million in net outlays would be increased by \$150 million, to \$8,964 million. The FY 1999 estimate of \$8,935 million in net outlays would be increased by up to \$450 million, to \$9,385 million.

The funds will be used to implement the plan the President announced on July 18, 1998. More than 80 million bushels of U.S. wheat, wheat flour, and possibly other commodities will be purchased by CCC and donated overseas to relieve hunger in needy areas of the world and to strengthen domestic crop prices. The Secretary of Agriculture has found wheat to be in surplus at this time, and OMB concurs in his determination. The current estimated funding needs of up to \$600 million in FYs 1998 and 1999 will allow the purchase of commodities, the ocean freight, and the internal distribution of the food in the destination countries.