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106th Congress, 2d Session – – – – – – – – – – – – – House Document 106–230

EMERGENCY SUPPLEMENTAL APPROPRIATIONS REQUEST

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

A REQUEST FOR EMERGENCY FISCAL YEAR 2000 SUPPLEMENTAL APPROPRIATIONS TO ASSIST IN RECONSTRUCTION EXPENSES IN SOUTHERN AFRICA



MAY 2, 2000.—Referred to the Committee on Appropriations and ordered to be printed.

U.S. GOVERNMENT PRINTING OFFICE
79–012 WASHINGTON : 2000

THE WHITE HOUSE,
Washington, April 21, 2000.

The SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I ask the Congress to consider expeditiously the enclosed requests for emergency FY 2000 supplemental appropriations. The requests provide for emergency rehabilitation and reconstruction assistance expenses in Southern Africa, particularly Mozambique, arising from cyclones Gloria, Eline, and Hudah and the associated flooding, which caused significant damage, and are in addition to approximately $82 million of humanitarian assistance and reprogrammed funds that is being, or will be, provided for Mozambique and the other affected countries in Southern Africa. I urge the Congress to consider and enact this proposal quickly so that these countries can get back on the path of development.

I hereby designate the following requests for relief to Southern Africa as emergency requirements pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

INTERNATIONAL ASSISTANCE PROGRAMS

- International Security Assistance, Economic Support Fund: $183,000,000.
- Agency for International Development, International Disaster Assistance: $10,000,0000.
- Agency for International Development, Operating Expenses of the Agency for International Development: $7,000,000.

In addition to these emergency appropriations, I am requesting that the Congress approve a one-time restoration, for the remainder of FY 2000, of the special authority provided to me by section 506(a)(2)(B) of the Foreign Assistance Act of 1961, as amended to draw down up to $75 million of the inventory and resources of the Department of Defense for the purposes described in section 506(a)(2)(A) of the Foreign Assistance Act. Half of the existing authority was used in response to the flooding in Southern Africa.

I also ask the Congress to consider the enclosed request for an FY 2001 budget amendment that would allow for the early disbursement of Foreign Military Financing Program funds for Egypt. This proposal would enhance military cooperation between Egypt and the United States and strengthen ties with a valuable coalition partner and strategic ally who plays a positive and indispensable role in the Middle East peace process. This request would not affect the totals proposed in my FY 2001 Budget.

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

The details of these requests are set forth in the enclosed letter from the Deputy Director of the Office of Management and Budget. I concur with her comments and observations.

Sincerely,

WILLIAM J. CLINTON.

Enclosure.

[Estimate No. 11, 106th Congress, 2d Session]

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, April 21, 2000.

The PRESIDENT,
The White House.

Submitted for your consideration are requests for FY 2000 emergency supplemental appropriations for International Assistance Programs. A total of $200.0 million in new budget authority is requested to address emergency needs in Southern Africa arising from cyclones Gloria, Eline, and Hudah and the associated flooding. These devastating floods, which occurred after the enactment of P.L. 106–113, the Consolidated Appropriations Act for FY 2000, caused significant damage to the African nations of Mozambique, Madagascar, South Africa, Zimbabwe, Zambia, and Botswana.

These proposals for emergency funding follow a review of the best available information on humanitarian assistance and reconstruction needs created by the flooding, of the assistance commitments of other donors, and of the comparative advantage that the United States has or does not have in providing certain types of assistance. The proposed $200 million in supplemental funds is in addition to approximately $82 million in humanitarian assistance and reprogrammed funds that is being, or will be, provided for Mozambique and the other affected countries in Southern Africa. It is our expectation that other donors will provide the vast majority of funding required for the reconstruction effort at the upcoming donors conference in early-May. Other donors already account for the vast majority of the emergency assistance to Southern Africa that has been provided on pledged to date. Additional U.S. assistance will help leverage substantial contributions from other countries.

Without the requested emergency funding, the United States will not be able to continue the necessary relief and reconstruction efforts that we have begun, and will not have adequate resources to continue critical reconstruction activities or to respond appropriately to other foreign disasters this year.

As described in the enclosures, the following emergency supplementals are requested to address needs related to the floods in Southern Africa:

$183.0 million for the Economic Support Fund to address reconstruction and disaster mitigation needs in the region. The funds will be used for such activities as:

Rehabilitation and rebuilding of 80 kilometers of the north-south national highway, over 1,000 kilometers of feeder roads, and the Limpopo rail line in Mozambique. Many of these infrastructure repairs are necessary for efficient relief and resettlement efforts, as well as economic recovery.

Provision of necessary equipment and other items destroyed by the floods that are needed to resume agricultural production for 300,000 families and 1,500 enterprises in Mozambique.

Support for child health, water, and sanitation activities to improve or repair water systems and reduce flood-related health risks.

Repair or rebuilding of up to 950 schools in South Africa, of which two-thirds have suffered major damage.

Provision of credit to support reconstruction for at least 4,000 small farmers and entrepreneurs in rural South Africa.

Technical support for the Southern Africa Development Community (SADC) to improve policy and program development to reduce flood vulnerability and improve coordination for flood response, preparedness, and planning.

Repair of salvageable homes in villages in the hardest hit rural areas of Botswana.

$7.0 million for United States Agency for International Development (USAID) operating expenses to cover a portion of the additional operating costs that will be incurred in the implementation of emergency reconstruction assistance, including the cost of auditing this assistance.

$10.0 million for USAID for international disaster assistance. USAID has spent a total of $9.8 million in response to this disaster and will spend an additional $10.0 million for a variety of water and sanitation projects, seeds and tools packages, and small-scale infrastructure repair activities in Mozambique, Madagascar, and Botswana. The supplemental funding will help to ensure that sufficient resources are available to respond to ongoing and unforeseen foreign disasters for the remainder of the fiscal year.

USAID is committed to the rapid implementation of this emergency response program, and plans to obligate funds for virtually all reconstruction activities within 12 months of the availability for funding from the Congress, and to fully implement most activities within 24 months. In order to implement the program as quickly and effectively as possible, USAID will develop a detailed implementation plan, which will include milestones against which progress can be measured.

Also included for your consideration is a provision that would restore, for the remainder of FY 2000, the authority to drawdown the inventory and resources of the Department of Defense (DOD) for humanitarian assistance and other purposes. Half of this authority, which is provided in section 506(a)(2)(B) of the Foreign Assistance Act of 1961, and which is limited to $75.0 million per year for DOD, was used in response to the floods in Southern Africa. The proposed restoration would ensure that DOD can continue to use this authority to respond to ongoing and unforeseen foreign disasters for the remainder of the fiscal year.

An additional proposal for your consideration is an FY 2001 appropriation language amendment that would allow for the early disbursement of Foreign Military Financing (FMF) Program funds for Egypt in FY 2001. The funds would be disbursed into an inter-

est-bearing account held by Egypt at the Federal Reserve and would result in approximately $25.0 to $30.0 million in interest being earned. The balances and accrued interest in the account would be used to pay for Egypt's commitments under the approved FMF program as they come due. The amount of funds eligible for early disbursement would be limited to the amount projected to be outlayed in FY 2001 so that there would be no net increase in outlays. This proposal would enhance military cooperation between Egypt and the United States and strengthen ties with a valuable coalition partner and strategic ally who plays a positive and indispensable role in the Middle East peace process.

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

Furthermore, I recommend that you designate the amounts requested in the emergency proposals for relief to Southern Africa as emergency funding requirements pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

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

Sincerely,

SYLVIA M. MATHEWS,
Deputy Director.

Enclosures.

FY 2000 Supplemental Request

INTERNATIONAL ASSISTANCE PROGRAMS

INTERNATIONAL SECURITY ASSISTANCE

ECONOMIC SUPPORT FUND

For an additional amount for "Economic Support Fund" to address the effects of flooding in Southern Africa, $183,000,000, to remain available until September 30, 2001: Provided, That such assistance may be made available notwithstanding such provisions of law regulating the making, performance, amendment, or modification of contracts as the Administrator of the United States Agency for International Development may specify: Provided further, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

This supplemental request for $183.0 million for the Economic Support Fund would provide for reconstruction and disaster mitigation assistance to Southern Africa, in response to the damage caused by cyclones Gloria, Eline, and Hudah. Mozambique sustained the greatest losses from cyclones and associated floods, while Madagascar, South Africa, Zambia, Botswana, and Zimbabwe were also affected. This request supports activities in the areas of child and public health, water and sanitation, economic revitalization, infrastructure repair and reconstruction, agricultural rehabilitation, disaster preparedness, and, flood control.

Language included in this request would allow the U.S. Agency for International Development (USAID) to contract for assistance, notwithstanding provisions of law regarding the making, amending, and modification of contracts that could unnecessarily slow the procurement process and restrict the ability to provide time-sensitive assistance. The State Department and USAID will still be responsible for meeting the notification and reporting requirements of sections 634A and 653 of the Foreign Assistance Act of 1961.

The entire amount requested has been designated by the President as an emergency requirement pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

FY 2000 Supplemental Request

INTERNATIONAL ASSISTANCE PROGRAMS

AGENCY FOR INTERNATIONAL DEVELOPMENT

INTERNATIONAL DISASTER ASSISTANCE

For an additional amount for "International Disaster Assistance," $10,000,000, to remain available until expended: Provided, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

This supplemental request would provide $10.0 million for USAID's International Disaster Assistance account. USAID has already expended about $9.8 million from this account on the flood and cyclones in Southern Africa, and will spend another $10.0 million on a variety of water and sanitation projects, seeds and tools packages, and small-scale infrastructure repair activities in Mozambique, Madagascar, and Botswana. The total requirement is nearly double what USAID typically spends on a foreign natural disaster, and without a partial replenishment, the account may not have sufficient resources to respond to unforeseen disasters for the remainder of the fiscal year. Just as with the regular FY 2000 appropriation for International Disaster Assistance, the funds requested by this supplemental could be used notwithstanding any other provision of law.

The entire amount requested has been designated by the President as an emergency requirement pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

FY 2000 Supplemental Request

INTERNATIONAL ASSISTANCE PROGRAMS

AGENCY FOR INTERNATIONAL DEVELOPMENT

OPERATING EXPENSES OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT

For an additional amount for "Operating Expenses of the Agency for International Development," including costs incurred prior to the date of enactment of this paragraph and costs associated with auditing the expenditure of funds, $7,000,000, to remain available until September 30, 2001: Provided, That up to $1,000,000, notwithstanding any other provision of law, may be used to contract directly for the personal services of individuals in the United States: Provided further, That the provisions of section 635(h) of the Foreign Assistance Act of 1961 shall be applicable to funds appropriated by this paragraph: Provided further, that the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

This supplemental request would provide USAID with $7.0 million for administrative expenses—an administrative-to-program ratio of three and a half percent. Of this total, up to $1.0 million

could be used to employ personnel service contractors in Washington. This will allow USAID to manage to manage the emergency assistance program adequately without permanently increasing its staff. The language would also allow a portion of the funds available for administrative expenses to be used for auditing the use of all the funds requested in this package for assistance to Southern Africa.

The entire amount requested has been designated by the President as an emergency requirement pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

FY 2000 Supplemental Request

DEPARTMENT OF DEFENSE

GENERAL PROVISION

The value of articles, services, and military education and training authorized as of March 2, 2000, to be drawn down by the President under the authority of section 506(a)(2) of the Foreign Assistance Act of 1961, as amended, shall not be counted against the ceiling limitation of that section.

A one-time increase in drawdown authority for the Department of Defense (DOD) is requested for use should circumstances warrant before the end of FY 2000. The Department has already drawn down $37.6 million in response to the floods in Mozambique. In addition, the Department drew down $20.0 million earlier this year in response to floods in Venezuela. Therefore, only $17.4 million of DOD's $75.0 million authority remains, while there is almost six months remaining in the fiscal year. This proposal would provide DOD an additional $37.6 million in authority to permit the Department to respond to unforeseen disasters over the remainder of the year.

FY 2001 Budget Amendment

Agency: International Assistance Programs.
Bureau: International Security Assistance.
Heading: Foreign Military Financing Program.
FY 2001 Budget Appendix Page: 988.
FY 2001 Pending Request: $3,538,200,000.
Proposed Amendment: Language.
Revised Request: $3,538,200,000.

(In the appropriations language under the above heading, insert the following after the first proviso in the first paragraph.)

Provided further, That Foreign Military Financing Program funds estimated to be outlayed for Egypt during fiscal year 2001 shall be disbursed within 30 days of enactment of this Act or by October 31, 2000, whichever is later:

This proposal would provide for early disbursement of funding forecasted in the FY 2001 Budget to be outlayed in FY 2001 from the Egyptian Foreign Military Financing (FMF) program into an interest-bearing account held by Egypt at the Federal Reserve. The funds provided to this new account and accrued interest would be

drawn upon to procure defense articles and services and design and construction services, in accordance with section 23 of the Arms Export Control Act, as amended, and other applicable authorities. The amount of interest earned would vary depending on the average balances in the account throughout the year. Initial estimates range from $25 to $30 million.

This amendment would not affect the proposed budget totals.

FY 2001 Budget Amendment

Agency: Legislative Branch.
Bureau: Joint Items.
Heading: Capitol Police Board, Capitol Police, Salaries.
FY 2001 Budget Appendix Page: 20.
FY 2001 Pending Request: $101,292,000.
Proposed Amendment: −$394,000.
Revised Request: $100,898,000.

(In the appropriations language under the above heading, delete "$101,292,000" and substitute *$100,898,000*; and, delete "$51,926,000" and substitute *$51,532,000*.)

This amendment would decrease the pending request for the Capitol Police Board by $394,000. FY 2001 outlays would decrease by the same amount.

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