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REQUESTS FOR SUPPLEMENTAL APPROPRIATIONS FOR JORDAN

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

REQUESTS FOR FY 1999 SUPPLEMENTAL APPROPRIATIONS TO ADDRESS URGENT FUNDING NEEDS RELATED TO THE SITUATION IN JORDAN



FEBRUARY 23, 1999.—Referred to the Committee on Appropriations and ordered to be printed

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THE WHITE HOUSE,
Washington, February 19, 1999.

The SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I ask the Congress to consider the enclosed requests for FY 1999 supplemental appropriations to address urgent funding needs related to the situation in Jordan. The proposals, including requests for supplemental and advance appropriations, total $100 million for FY 1999, $100 million for FY 2000, and $100 million for FY 2001, and affect the Departments of Defense and State and the United States Agency for International Development.

These requests for Jordan were previously transmitted to the Congress with my budget on February 1, 1999, as part of the supplementals proposed in support of the Wye River Memorandum. Since the transmittal of the budget and the recent death of King Hussein, bolstering Jordan's stability has become a more urgent U.S. priority. As a result, I ask the Congress, by the end of March, to provide the $300 million in supplemental assistance to Jordan.

America has a major national interest in helping promote stability in Jordan during the current transition. Under King Hussein's leadership, Jordan has been a key partner in the Middle East peace process. The United States is leading a broad international effort to support Jordan, which includes efforts by the Gulf countries and our G–7 and European Union partners. Prompt U.S. financial support for Jordan's economic and military requirements is essential to help promote stability in Jordan and the region during this period of transition and to help maintain U.S. diplomatic leadership in the Middle East.

The Budget proposed offsets for the Wye River Memorandum supplemental requests, and I urge the Congress to consider those offsets for the Jordan portion contained in this transmittal. It is important that we work together on an acceptable package of offsets so that this legislation can move forward speedily. This legislation includes the following requests for FY 1999:

International Assistance Programs

- International Security Assistance, Economic Support Fund: $50,000,000.
- International Security Assistance, Foreign Military Financing Program: $50,000,000.

I hereby designate the above FY 1999 requests for Jordan as emergency requirements pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

The details of these requests 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. 7
106th Congress, 1st Session

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

February 19, 1999

THE DIRECTOR

The President

The White House

Submitted for your consideration are requests for FY 1999 supplemental and advance appropriations that would provide assistance to Jordan during a critical transition period. These requests were previously made as part of the supplementals proposed in support of the Wye River Memorandum and transmitted with your budget on February 1, 1999. Through this action, we request that Congress complete action on Jordan prior to the end of March.

Your budget proposed offsets for the Wye River Memorandum supplemental requests, and we will urge the Congress to consider those offsets for the Jordan portion contained in this transmittal. The Administration will work with the Congress on an acceptable package of offsets so that this legislation can move forward speedily.

The requested amounts for Jordan, totaling $300 million, fund the following activities:

Economic Assistance

A total of $100 million in appropriations -- $50 million in FY 1999 and $50 million in FY 2000 -- is requested to fund water resources development, social safety net assistance, balance of payments support, and other activities. All of these efforts will help stabilize the Jordanian economy, which has faced a severe downturn in recent years. Renewed growth of the Jordanian economy is critical to a smooth transition of leadership. The balance of payments support, in particular, will help the Jordanian government meet its external debt servicing requirements as it pursues a comprehensive structural economic reform program. The other economic assistance efforts will help increase funding for much of the United States Agency for International Development's (USAID's) current economic development efforts in Jordan, especially in the politically sensitive water sector.

Foreign Military Financing

A total of $200 million in appropriations -- $50 million in FY 1999, $50 million in FY 2000, and $100 million in FY 2001 -- is requested to help meet key modernization and readiness requirements of the Jordanian Armed Forces (JAF). Those requirements include procurement of spare parts and services to maintain U.S. equipment already in inventory, replacement of JAF munitions stocks, the upgrade of the HAWK air defense system with the procurement of additional missiles and the upgrade of selected units to PIP-3 configuration, modernization of ground forces with anti-armor systems, and the improvement of border security with training and selected equipment.

I recommend that you designate the above requests for FY 1999 as emergency requirements pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

This transmittal also includes appropriations language for the other Wye supplemental requests included in the Budget that is identical to the language in the Budget, except for the removal of the Jordan-related language.

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

Sincerely,

Jacob J. Lew
Director

Enclosures

INTERNATIONAL ASSISTANCE PROGRAMS

INTERNATIONAL SECURITY ASSISTANCE

Economic Support Fund

For necessary expenses to enable the President to carry out chapter 4 of part II of the Foreign Assistance Act of 1961, as amended, in addition to amounts otherwise available for such purposes: to provide assistance to Jordan, $50,000,000 to become available upon enactment of this Act and to remain available until September 30, 2001, and $50,000,000 to become available on October 1, 1999 and to remain available until September 30, 2002: Provided, That these funds are to be made available at such time as, and to the extent that, the President deems appropriate: Provided further, That the entire amount made available for fiscal year 1999 herein 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.

Economic Support Fund -- Jordan

This supplemental request would provide Economic Support Fund (ESF) resources for Jordan in FY 1999 ($50 million) and FY 2000 ($50 million). To help promote stability in Jordan during a period of transition, the Administration is requesting that the Congress provide immediate consideration of Jordan's needs.

The Administration is requesting accelerated provision of ESF resources for Jordan to support continued economic reform efforts and infrastructure development during the current transition. The Administration requests $50 million in FY 1999 for the ESF to meet Jordan's need for immediate budgetary support to promote its structural economic reform program. The Administration proposes another $50 million in FY 2000 for the ESF to meet key development needs, including water resources infrastructure. (For each of FYs 1999 and 2000, the Administration also proposes $50 million in Foreign Military Financing for Jordan and proposes $100 million in FY 2001.)

The entire amount requested in FY 1999 has been offset with budget authority in the Budget and has been designated by the President as an emergency requirement pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

INTERNATIONAL ASSISTANCE PROGRAMS

INTERNATIONAL SECURITY ASSISTANCE

Foreign Military Financing Program

For necessary expenses for grants to enable the President to carry out section 23 of the Arms Export Control Act, in addition to amounts otherwise available for such purposes: for grants only for Jordan, $50,000,000 to become available upon enactment of this Act and to remain available until September 30, 2001; $50,000,000 to become available on October 1, 1999 and to remain available until September 30, 2002; and $100,000,000 to become available on October 1, 2000 and to remain available until September 30, 2003: Provided, That funds appropriated under this heading shall be nonrepayable, notwithstanding section 23(b) and section 23(c) of the Arms Export Control Act: Provided further, That these funds are to be made available at such time as, and to the extent that, the President deems appropriate: Provided further, That the entire amount made available for fiscal year 1999 herein 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.

Foreign Military Financing -- Jordan

This supplemental request would provide Foreign Military Financing (FMF) resources for Jordan in FY 1999 ($50 million), FY 2000 ($50 million), and FY 2001 ($100 million).

To help promote stability in Jordan during a period of transition, the Administration is requesting that the Congress provide immediate consideration of Jordan's needs.

The Administration is requesting FMF resources for Jordan to help address longstanding weaknesses in the readiness of the Jordanian Armed Forces and to help meet key military modernization requirements. Both objectives are essential to ensure that Jordan continues to play a stabilizing role in the region.

The entire amount requested in FY 1999 has been offset with budget authority in the Budget and has been designated by the President as an emergency requirement pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, as amended

Revised Request

INTERNATIONAL ASSISTANCE PROGRAMS

INTERNATIONAL SECURITY ASSISTANCE

Foreign Military Financing Program

For necessary expenses for grants to enable the President to carry out section 23 of the Arms Export Control Act, in addition to amounts otherwise available for such purposes: for grants only for Israel, $600,000,000 to become available upon enactment of this Act and to remain available until September 30, 2001; $300,000,000 to become available on October 1, 1999 and to remain available until September 30, 2002; and $300,000,000 to become available on October 1, 2000 and to remain available until September 30, 2003: Provided, That funds appropriated under this heading shall be nonrepayable, notwithstanding section 23(b) and section 23(c) of the Arms Export Control Act: Provided further, That these funds are to be made available at such time as, and to the extent that, the President deems appropriate: Provided further, That the entire amount made available for fiscal year 1999 herein 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.

Foreign Military Financing -- Israel

This revised request would provide Foreign Military Financing (FMF) resources for Israel in FY 1999 ($600 million), FY 2000 ($300 million), and FY 2001 ($300 million) in conjunction with the implementation of the Wye River Memorandum.

Tc help promote stability in Jordan during a period of transition, the Administration is requesting that the Congress provide immediate consideration of Jordan's needs. The Administration has included in this transmittal a separate request for funding for Jordan.

The entire amount requested in FY 1999 has been offset with budget authority in the Budget and has been designated by the President as an emergency requirement pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.