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FY 1999 EMERGENCY SUPPLEMENTALS FOR THE DEPARTMENTS OF DEFENSE, STATE, AND THE U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

A REQUEST FOR EMERGENCY FY 1999 SUPPLEMENTALS FOR THE DEPARTMENT OF DEFENSE, THE DEPARTMENT OF STATE, AND THE U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT



APRIL 21, 1999.—Referred to the Committee on Appropriations and ordered to be printed

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THE WHITE HOUSE,
Washington, April 19, 1999.

The SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: Despite months of allied diplomatic efforts to achieve a balanced peace plan, the government of Slobodan Milosevic defied the international community and pursued a course of repression and terror against the people of Kosovo. I determined that we could not allow these actions to go unchallenged. Thus, following extensive diplomatic efforts to convince President Milosevic to agree to acceptable terms, I committed U.S. forces to join with our NATO allies in action against the Milosevic regime and the military forces of Yugoslavia. At the same time, we are working hard to cope with the humanitarian crisis the Milosevic regime has created by expelling hundreds of thousands of Kosovar Albanians from their homes. In support of our military, humanitarian, and diplomatic efforts, I ask the Congress to consider expeditiously the enclosed requests for emergency FY 1999 supplementals for the Department of Defense, the Department of State, and the U.S. Agency for International Development.

I hereby designate the amounts requested for the following accounts in the Departments of Defense and State and the U.S. Agency for International Development as emergency requirements pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

Department of Defense

- Military Personnel, Military Personnel, Army: $2,920,000.
- Military Personnel, Military Personnel, Navy: $7,660,000.
- Military Personnel, Military Personnel, Marine Corps: $1,586,000.
- Military Personnel, Military Personnel, Air Force: $4,303,000.
- Operation and Maintenance, Overseas Contingency Operations Transfer Fund: $4,591,600,000.

Department of State

- Administration of Foreign Affairs, Diplomatic and Consular Programs: $17,071,000.
- Administration of Foreign Affairs, Security and Maintenance of United States Missions: $5,000,000.
- Administration of Foreign Affairs, Emergencies in the Diplomatic and Consular Service: $2,929,000.
- Other, Migration and Refugee Assistance: $125,000,000.
- Other, United States Emergency and Migration Assistance Fund: $95,000,000.

International Assistance Programs

• International Security Assistance, Economic Support Fund: $105,000,000.

• Agency for International Development, Assistance for Eastern Europe and the Baltic States: $170,000,000.

• Agency for International Development, International Disaster Assistance: $71,000,000.

In addition to the above emergency funding, I am requesting $850 million in contingent emergency funding for the Department of Defense to ensure that U.S. military force readiness levels remain high while operations continue in Kosovo and that inventories of critical munitions remain adequate.

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.

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

THE DIRECTOR

April 19, 1999

The President

The White House

Submitted for your consideration are emergency FY 1999 supplemental appropriations requests that would provide funds to cover the costs of military and humanitarian operations related to the crisis in Kosovo. Also included are funding requests to cover costs associated with on-going, enhanced operations in Southwest Asia. The $6.05 billion in emergency supplemental funding requests is built upon the following assumptions:

- U.S. forces should be funded to permit them to sustain current operations. To provide maximum flexibility to our military commanders, we are requesting sufficient funding to provide us the capability to continue operations at the current, planned levels with the currently approved forces. The supplemental requests assume that the currently approved level of U.S. forces, including a carrier battle group, 600+ Air Force and Marine Corps aircraft, one Marine Expeditionary Unit, several Army helicopter battalions and missile batteries, and other support forces are sustained in the Balkans for as long as necessary. Funding is requested for the remainder of FY 1999 to support these force levels. The requests also provide the capability for U.S. forces to maintain the air campaign at the current rate of sorties and strikes on Yugoslavia.

- Kosovar refugee relief and/or humanitarian assistance will be provided to these refugees as necessary. Through the UN and other assistance organizations, the United States will provide a portion of the multilateral assistance being provided to 650,000 refugees. The requests include FY 1999 funding for the U.S. contribution for this assistance, as well as resources for possible substantial additional refugee outflows or humanitarian needs inside Kosovo.

- The United States is sharing the burden of multilateral humanitarian assistance appeals with other countries. The United States is providing approximately 25 percent of civilian humanitarian relief efforts. The U.S. contribution to the UN appeal is voluntary and is based on customary burdensharing practice. Decisions regarding actual allocation of funds to assistance organizations will be made on the basis of who can best address the humanitarian needs.

- The supplementals provide FY 1999 funding to plan reconstruction efforts in a post-conflict Kosovo, but would not fund the U.S. portion of a long-term reconstruction effort. The requests provide sufficient resources to maintain military operations and provide humanitarian assistance and relief to refugees through FY 1999, and therefore the supplementals do not request funding for long-term reconstruction activities. However, the United States and its allies must plan and prepare on a multilateral basis to share the burden of resettlement of the Kosovar refugees and to provide the most urgently needed assistance to them whenever a settlement is achieved. Therefore, funds are requested to address regional requirements for the well-being, safety, and return of Kosovo refugees.

The requests also assume that U.S. forces in Southwest Asia will remain at their current levels for the foreseeable future. For purposes of these requests, we estimated the cost of retaining and operating this force for the remainder of FY 1999.

As described in the enclosures, the requests include:

- **Kosovo Military Operations**

  Operations through April. $287 million, to fund costs of the U.S. air campaign in Kosovo, which began on March 24, through April 30, 1999. The initial costs of the air campaign include special pay and allowances for personnel deployed to the region, unit operations (including fuel and spare parts), transportation, logistics services, and supplies. Also requested is funding to cover the costs of U.S. forces' support to the Organization for Security and Cooperation in Europe (OSCE) operations in the Balkans, including the OSCE's Kosovo Diplomatic Observer Mission (KDOM) and Kosovo Air Verification Mission (KVAM).

  Air operations through FY 1999. $3.01 billion, to sustain air operations against Yugoslavia, which will continue as long as necessary. Funding will cover the cost of operating aircraft and ships, deployment of assets, force protection and base activities, spare parts, transportation, logistics services, equipment maintenance, special pay and allowances, and other support costs for U.S. forces in the Balkans. Costs of redeployment and force reconstitution are not included.

- **Munitions**

  Replenishment. $698 million, to replenish munitions used during operations in Southwest Asia ($177 million) and in Kosovo ($521 million). Funding will cover upgrades and replenishment of Tomahawk cruise missiles and replenishment of Conventional Air-Launched Cruise Missiles, Joint Direct Attack Munitions, and towed decoys.

- **Readiness and munitions contingency reserve**

  Contingency reserve. $850 million, to ensure that readiness levels remain high while operations continue in Kosovo and that inventories of critical munitions remain adequate for future operations. Due to quickly changing circumstances associated with this operation, it is prudent to set aside additional funding on a contingency basis to assure that military readiness of the forces deployed to the region, as well as all other U.S. military forces, is maintained. These additional funds could also be used to replace munitions we anticipate may be used, but have not been to date, and to maintain sufficient inventories -- and thus readiness -- for the future.

- **Kosovo Refugee/Humanitarian Operations**

  DoD Refugee Relief and Assistance. $25 million, to replenish funding for supplies and their transportation under the drawdown authority of Section 552 (c)(2) of the Foreign Assistance Act of 1961, and $310 million for provision of refugee relief assistance to displaced Kosovars and other assistance as needed and available.

  Department of State/U.S. Agency for International Development (USAID) Humanitarian Activities. To the Department of State -- $125 million to the Migration and Refugee Assistance (MRA) account and $95 million to the Emergency Refugee and Migration Assistance (ERMA) account to respond to urgent refugee assistance needs through international and non-governmental organizations. These funds will be used for critical life-sustaining assistance to people affected by the Kosovo crisis, assistance to the multilateral effort to transport Kosovar refugees to temporary refugee countries, and an appropriate level of resources to provide more assistance should additional refugee needs arise. To the USAID -- $71 million for International Disaster Assistance, of which $68 million will replenish the disaster assistance account and provide additional funds for humanitarian assistance to the victims of the Kosovo crisis, and $3 million will support the Federal Emergency Management Agency's role in the U.S. response.

  Assistance to Eastern Europe. $95 million for humanitarian assistance to front line states and Kosovars. The request provides $35 million for urgent assistance for countries in the region affected by the crisis in Kosovo; and $60 million to address regional requirements for the well-being, safety, and return of Kosovo refugees.

- **Diplomatic Operations and other Stabilization Efforts**

  Department of State Diplomatic Activities and Emergency Response. A total of $25 million for Diplomatic and Consular Programs, Emergencies in the Diplomatic and Consular Service, and Security and Maintenance of U.S. Missions necessary to meet diplomatic and security requirements arising from the crisis in Kosovo, including increased operations and protection of American personnel stationed in the region.

  Assistance to Eastern Europe. $25 million for police monitors and training.

  Economic Support Fund. $5 million for efforts to document war crimes and atrocities that may have been committed in Kosovo.

- **Securing the Front Line States**

  Economic Support Fund/Assistance to Eastern Europe. $150 million to provide assistance to the governments of Albania, Macedonia, Bulgaria, Bosnia, Montenegro, and Romania to increase stability in these countries and to alleviate the disruption created by the fighting in Kosovo. These countries have suffered significant reductions in trade and investment as a result of the conflict. Some of these countries have borne the brunt of the refugee crisis. The confluence of these events threaten to undermine their political stability as they struggle to make the transition to market democracies.

- **Southwest Asia**

  Operation Desert Thunder and Desert Fox. $134 million, to fund the costs of U.S. forces deployed to conduct these operations against Iraq. Although Desert Thunder was aborted, DoD still incurred costs of deploying forces. Costs include special pay and allowances for personnel deployed to the region, unit operations, transportation, and logistics services.

  Enhanced Northern and Southern Watch. $140 million, to fund the costs incurred due to the unforeseen increase in operational tempo in Southwest Asia in the wake of Operation Desert Fox and Iraq's continued defiance of the no-fly zones. These costs include special pay and allowances for personnel deployed to the region, unit operations, transportation, and logistics services.

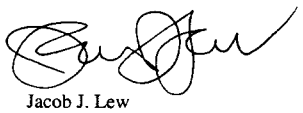
Also included for your consideration are several language provisions, including a request to increase -- from $1.6 billion to $2.4 billion -- the Secretary of Defense's authority to transfer funds within the Department.

I recommend that you designate the $5,199.1 million requested in the emergency proposals as emergency funding in accordance with section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended. The use of the emergency designation is consistent with the emergency designation treatment used for Operation Desert Shield/Desert Storm in 1991.

In addition to the above emergency requests, $850 million is being requested for DoD to be made available contingent upon your submission of a later budget request to the Congress designating the amount requested as an emergency requirement.

I have carefully reviewed these proposals and am satisfied that they are necessary at this time. Accordingly, I join the Secretaries of State and Defense, your National Security Advisor, and the Administrator of the U.S. Agency for International Development in recommending that you transmit these proposals to the Congress.

Sincerely,



Jacob J. Lew
Director

Enclosures

DEPARTMENT OF DEFENSE

MILITARY PERSONNEL

Military Personnel, Army

For an additional amount for "Military Personnel, Army," $2,920,000: Provided, That such 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 funds for additional military personnel costs in Southwest Asia. Activities supported by the request include Imminent Danger Pay, Family Separation Allowance, Foreign Duty Pay, Basic Allowance for Subsistence for enlisted personnel, mobilized reserve component pay and allowances, and subsistence in kind.

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.

DEPARTMENT OF DEFENSE

MILITARY PERSONNEL

Military Personnel, Navy

For an additional amount for "Military Personnel, Navy," $7,660,000: Provided, That such 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 funds for additional military personnel costs in Southwest Asia. Activities supported by the request include Imminent Danger Pay for personnel providing air coverage and support over Iraq.

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.

DEPARTMENT OF DEFENSE

MILITARY PERSONNEL

Military Personnel, Marine Corps

For an additional amount for "Military Personnel, Marine Corps," $1,586,000: Provided, That such 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 funds for additional military personnel costs in Southwest Asia. Activities supported by the request include Imminent Danger Pay, Family Separation Allowance, and Foreign Duty Pay associated with Reserve personnel called to active duty.

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.

DEPARTMENT OF DEFENSE

MILITARY PERSONNEL

Military Personnel, Air Force

For an additional amount for "Military Personnel, Air Force," $4,303,000: Provided, That such 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 funds for additional military personnel costs in Southwest Asia and the Kosovo Air Verification Mission. Activities supported by the request include Imminent Danger Pay, Family Separation Allowance, Foreign Duty Pay, Basic Allowance for Subsistence for enlisted personnel, all associated payroll costs of incremental workyears, and payroll costs of Reserve personnel called to active duty.

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.

DEPARTMENT OF DEFENSE

OPERATION AND MAINTENANCE

Overseas Contingency Operations Transfer Fund

For an additional amount for "Overseas Contingency Operations Transfer Fund," $5,441,600,000, 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: Provided further, That of such amount, $850,000,000 shall be available only to the extent that the President transmits to the Congress an official budget request for a specific dollar amount that (1) specifies items which meet a critical readiness or sustainability need, to include replacement of expended munitions to maintain adequate inventories for future operations, and (2) includes designation of the entire amount of the request as an emergency requirement as defined in the Act: Provided further, That the Secretary of Defense may transfer the funds provided herein only to appropriations for military personnel; operation and maintenance, including Overseas Humanitarian, Disaster, and Civic Aid; procurement; research, development, test and evaluation; military construction; the Defense Health Program; the National Defense Sealift Fund; and working capital funds: Provided further, That the funds transferred shall be merged with and shall be available for the same purposes and for the same time period, as the appropriation to which transferred: Provided further, That the transfer authority provided in this paragraph is in addition to any other transfer authority available to the Department of Defense: Provided further, That such funds may be used to execute projects or programs that were deferred in order to carry out military operations in and around Kosovo and in Southwest Asia, including efforts associated with the displaced Kosovar population: Provided further, That upon a determination that all or part of the funds transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation.

This supplemental request would provide funds, via transfer to various DoD appropriations, for military operations, refugee relief, and munitions expenditures in Kosovo and Southwest Asia, in the following amounts ($ in millions):

(Continued)

Component	Kosovo (military operations)	Kosovo (refugee operations)	Readiness and Munitions Contingency Reserve	Munitions	Southwest Asia	Total
Army	692.7	2.5			85.3	780.5
Navy	507.8	1.0		444.7	70.0	1,023.5
Marine Corps	17.3				3.4	20.7
Air Force	1,872.1	21.5		253.2	67.5	2,214.3
Defense-wide	211.0	310.0	850.0		31.6	1,402.6
Total	**3,300.9**	**335.0**	**850.0**	**697.9**	**257.8**	**5,441.6**

Funding is requested for:

Kosovo Military Operations

- *Operations through April 30, 1999 in Kosovo ($287 million).* This includes $47 million for DoD logistical support and overflight operations for the Kosovo Diplomatic Observer Mission (KDOM) and the Kosovo Air Verification Mission (KVAM). The remaining $240 million covers the cost of Navy, Marine Corps, and Air Force air operations through the end of April.

- *On-going air operations against Yugoslavia through the end of FY 1999 ($3.01 billion).* Funding will cover equipment preparation; deployment of assets; airlift and sealift; other transportation within theater; in-theater support for all deployed forces, including logistics services; consumables and spare parts; incremental air and ship OPTEMPO (flying hours and steaming days); equipment maintenance; per diem of deployed personnel; rotational travel; leased communications; intelligence activities and support; force protection; base construction and support; call-up and deployment of Reserve personnel; and special pay and allowances for deployed personnel. This funding will provide the capability to sustain operations at their current level through the remainder of FY 1999.

Kosovo Refugee Operations

- *DoD's activities in Operation Allied Harbour and other refugee assistance through FY 1999 ($335 million).* For drawdown activities, funding will reimburse DoD for its provision and transportation of relief supplies. Funding will also support military activities in delivering assistance and force protection in the region. These resources will also allow DoD to meet the U.S. commitment to provide refugee assistance by covering the construction and operation of a temporary camp, as well as the provision of disaster relief, humanitarian assistance, and force protection, as needed and available.

Readiness and munitions contingency reserve

- *Contingency reserve ($850 million).* These funds will ensure that readiness levels remain high while operations continue in Kosovo and that inventories of critical munitions remain adequate for future operations. Due to the changing circumstances of these operations, it is prudent to set aside additional funding on a contingency basis to assure that a high level of military readiness is maintained and to replace munitions U.S. forces may use. Without such a reserve, DoD could be forced to use programmed readiness funding to cover unanticipated costs of Balkan operations or DoD could face inventory levels inadequate to cover future warfighting needs.

Munitions

- *Replenishment ($698 million).* Funding will replenish critical munitions expended during Operation Desert Fox and in Kosovo. This will cover upgrades to older Tomahawk missiles (including Tomahawk Anti-Ship Missiles) to the more capable Block IIIC version ($445 million); conversion of 322 nuclear-Air Launched Cruise Missiles to Conventional Air Launched Cruise Missiles ($178 million); acceleration of Joint Direct Attack Munition (JDAM) production ($35 million); and acceleration of air-launched towed decoy production to replace those used during Operation Desert Fox and Kosovo ($40 million). This funding will protect future readiness by ensuring that adequate stocks of these critical munitions will be available for current and future operations.

Southwest Asia

- *Desert Thunder ($49 million).* The aborted strikes in November 1998 resulted in costs for DoD to deploy a carrier battle group, over 50 Air Force aircraft, additional Army units, and numerous support units.

- *Desert Fox ($85 million).* The four days of strikes in December 1998 incurred costs for DoD to deploy a carrier battle group, over 50 Air Force aircraft, additional Army units, and numerous support units.

- *Enhanced Northern and Southern Watch ($124 million).* Since Desert Fox, DoD has incurred higher than budgeted operational rates for units enforcing the no-fly zones and monitoring Iraqi compliance with the international agreements. For purposes of this, the current level of operations are funded to the end of FY 1999. Funding will cover higher air OPTEMPO (flying hours); additional steaming days; airlift and sealift; logistics services; supplies; other sustainment; equipment preparation and maintenance; and per diem and other costs associated with the use of Active Force, Reserve Component, and civilian personnel; and intelligence activities and support.

Of the amount requested, $4,591,600,000 has been designated by the President as an emergency requirement pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

DEPARTMENT OF STATE

ADMINISTRATION OF FOREIGN AFFAIRS

Diplomatic and Consular Programs

For an additional amount for "Diplomatic and Consular Programs," $17,071,000, 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 support U.S. diplomatic facilities operating under crisis conditions in the region and meet the diplomatic requirements arising from the situation in Kosovo. Additional staff has been assigned to posts in the region to bolster diplomatic efforts. These increased operations require upgrades in telecommunications and information technology. The emergency also requires increased security, including additional officers and equipment.

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.

DEPARTMENT OF STATE

ADMINISTRATION OF FOREIGN AFFAIRS

Security and Maintenance of United States Missions

For an additional amount for "Security and Maintenance of United States Missions," $5,000,000, 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 funds for repair of embassy facilities; construction of perimeter walls and immediate residential security enhancements in affected countries; and replacement of damaged equipment. Repair of embassy facilities is required for posts where damage occurred during civil unrest and protests in response to NATO activities in Kosovo. Construction of perimeter walls and enhancements to residential facilities will be performed to ensure adequate protection of diplomatic personnel in the region and to enable continued support for U.S. Government operations in the region.

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.

DEPARTMENT OF STATE

ADMINISTRATION OF FOREIGN AFFAIRS

Emergencies in the Diplomatic and Consular Service

For an additional amount for "Emergencies in the Diplomatic and Consular Service," $2,929,000, to remain available until expended, of which $500,000 shall be transferred to the Peace Corps and $450,000 shall be transferred to the U.S. Information Agency, for evacuation and related costs: 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 funds for emergency expenditures related to evacuations in Belgrade and the surrounding region. Following evacuations in October and February, operations at Embassy Belgrade were suspended on March 23 and all American personnel were evacuated to an interim safehaven in Budapest and then on to the United States. Costs include air transportation, lodging, meals, and incidental allowances for employees evacuated, as well as estimates for extending the current evacuation for a six-month period through September, and packing, shipping, and storage of Belgrade employees' household effects, which was authorized to prevent loss due to looting or damage. In addition, funds are requested in this appropriation for transfer to the Peace Corps and the U.S. Information Agency for costs incurred in the evacuation of personnel.

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.

DEPARTMENT OF STATE

OTHER

Migration and Refugee Assistance

For an additional amount for "Migration and Refugee Assistance," $125,000,000, to remain available until expended, of which not more than $500,000 is for administrative expenses: 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 additional funds for the State Department's migration and refugee assistance programs related to the situation in Kosovo. Funds will allow the U.S. Government to remain at the forefront of providing critical, life-sustaining assistance to refugees, conflict victims, and vulnerable individuals as a result of the current humanitarian crisis in Kosovo and surrounding region.

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.

DEPARTMENT OF STATE

OTHER

United States Emergency Refugee and Migration Assistance Fund

For an additional amount for the "United States Emergency Refugee and Migration Assistance Fund," and subject to the terms and conditions under that head, $95,000,000, 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 additional funds for the State Department's Emergency Refugee and Migration Assistance Fund to ensure that funds are available for urgent, unforeseen refugee and migration events. Humanitarian requirements related to the Kosovo situation have drawn down the balances in the Fund and shown that it is absolutely critical for the United States to have sufficient funding available to provide front-line, life-saving responses to humanitarian emergencies worldwide.

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.

INTERNATIONAL ASSISTANCE PROGRAMS

INTERNATIONAL SECURITY ASSISTANCE

Economic Support Fund

For an additional amount for "Economic Support Fund," $105,000,000: Provided, That these funds shall be available notwithstanding any other provision of law: 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 request would provide $100 million for the Economic Support Fund to provide assistance to the governments of Albania, Macedonia, Bulgaria, Bosnia, Montenegro, and Romania as a response to the disruption created by the fighting in Kosovo. These countries have suffered significant reductions in trade and investment, which are badly needed in their transitions to market economies. These economic losses come on the heels of previous problems stemming in part from the collapse of the Russian economy, and undermine their political stability as they struggle to make the transition to market economies. The assistance will be used as part of a multilateral package, with other donors bearing the primary burden. The specific uses of the funding will be determined with these other donors. In addition, the request would provide $5 million for efforts to document war crimes and atrocities that may have been committed in Kosovo.

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

INTERNATIONAL ASSISTANCE PROGRAMS

AGENCY FOR INTERNATIONAL DEVELOPMENT

Assistance for Eastern Europe and the Baltic States

For an additional amount for "Assistance for Eastern Europe and the Baltic States," $170,000,000, of which up to $1,000,000 may be used for administrative costs of the U.S. Agency for International Development: 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 request would provide $35 million for urgent assistance for countries in the region affected by the crisis in Kosovo; $60 million to address regional requirements for the well-being, safety, and return of Kosovo refugees; and $25 million for police monitors and training. In addition, $50 million is requested to provide assistance to Albania, Macedonia, Bulgaria, Bosnia, Montenegro, and Romania.

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.

INTERNATIONAL ASSISTANCE PROGRAMS

AGENCY FOR INTERNATIONAL DEVELOPMENT

International Disaster Assistance

For an additional amount for "International Disaster Assistance," $71,000,000, 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 request would provide $68 million for International Disaster Assistance to replenish the U.S. Agency for International Development's (USAID's) international disaster contingency account and to provide additional funds to permit continued humanitarian assistance to the victims of the Kosovo crisis for the remainder of the fiscal year.

A large percentage of the Kosovo refugees are not in traditional refugee camps supported by UNHCR, but in private homes, schools and other host government facilities, and these kinds of arrangements are likely to continue and to expand as outflows continue. The humanitarian assistance requirements for refugee communities living in these arrangements are substantial. Working through private voluntary organizations, OFDA can provide prompt and critical support for the affected communities, as well as continue to provide essential assistance in specified sectors within the more traditional refugee camps.

The request would provide $3 million to support the Federal Emergency Management Agency's (FEMA's) role in the U.S. response. The FEMA funding will enable it to run a 24 hour toll-free phone bank for private donations.

USAID has committed $18.6 million in FY 1999 funds from this account for humanitarian response to the Kosovo crisis. These costs, combined with the substantial additional anticipated Kosovo-related requirements as well as the large expenditures on Hurricanes Mitch and Georges, mean that, without a replenishment, the account will be without sufficient resources to respond to unforeseen disasters for the remainder of the fiscal year. As with the regular FY 1999 appropriation for International Disaster Assistance, funds appropriated 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 Balance Budget and Emergency Deficit Control Act of 1985, as amended.

International Affairs:
Summary of Funding Requests

Humanitarian Operations

- *On-going operations through the end of FY 1999 ($291 million).* As of the date of this submission, more than 540,000 Kosovar refugees have fled Kosovo. The UNHCR has appealed for resources to provide assistance to these and another 110,000 possible refugees. Within Kosovo, hundreds of thousands of refugees may be without food, water, shelter, and medicine. State's refugee assistance accounts would fund the U.S. contributions to the emergency appeals of the UNHCR and other major humanitarian international organizations, as well as non-governmental organizations who can most effectively address specific refugee needs. Funds are also requested through State's refugee assistance and AID's Disaster Assistance accounts to allow the United States to respond to additional refugee outflows or humanitarian needs inside Kosovo. Additionally, funding is requested to allow FEMA to run a 24 hour toll-free phone bank for private donations.

- *Support for the front line states and Kosovars ($95 million).* Albania and Macedonia, poor countries with per capita GDPs around $1,000, have been inundated by over 300,000 and 100,000 refugees, respectively. This has overwhelmed their abilities to provide basic government services, such as border protection, as well as their basic infrastructure. The request would fund immediate assistance to these countries related to their refugee burdens, as well as to refugees themselves, whether they are in these countries or being resettled back to their homes or to third countries. In addition, the other front line states may have direct or indirect costs associated with the humanitarian crisis and the future return of the Kosovars to their homes.

State Department Operations and other Stabilization Efforts

- *Ongoing diplomatic response to the crisis ($25 million).* Funding is requested to support U.S. diplomatic facilities operating under crisis conditions in the region and meet the requirements of diplomatic officers displaced with suspension of operations in Belgrade. Additional staff has been assigned to posts in the region to bolster diplomatic efforts. These increased operations require upgrades in telecommunication and information technology. The emergency also requires increased security, including additional officers, equipment, and immediate facility improvements.

- *Police/Justice programs for Kosovo ($30 million).* Requested SEED and ESF programs would support OSCE police monitors, train and perform background checks on Kosovar police recruits in refugee camps in Albania and Montenegro, and begin the difficult process of documenting alleged atrocities in Kosovo, such as rape and summary executions.

Securing Front Line States

- *Expansion and enhancement of assistance to governments in the region ($150 million).* Requested funds would help alleviate economic consequences of the current crisis. Albania, Bosnia, Bulgaria, Macedonia, and Romania, and the Yugoslav Republic of Montenegro with its pro-reform government, have been seriously affected by the burden of helping the international community care for the refugees, and have undergone severe disruptions of trade due to the hostilities with Yugoslavia. These funds will help insure stability in countries which are in the midst of the delicate transition from communism to market democracies, and are offering vital support to NATO coalition. The International Monetary Fund, the World Bank, and the European Union will provide the bulk of economic support for these countries needed to help them weather the current storm.

DEPARTMENT OF DEFENSE

GENERAL PROVISIONS

Sec. . Section 8005 of the Department of Defense Appropriations Act, 1999 (Public Law 105-262), is amended by striking out "$1,650,000,000" and inserting in lieu thereof "$2,450,000,000".

This proposal would increase the Secretary of Defense's transfer authority in FY 1999. This is necessary to meet the needs that are anticipated as the result of military operations in and around Kosovo.

Sec. . Notwithstanding the limitations set forth in section 1006 of Public Law 105-261, not to exceed $10,000,000 of funds appropriated by this Act may be available for contributions to the common funded budgets of NATO (as defined in section 1006(c)(1) of Public Law 105-261) for costs related to NATO operations in and around Kosovo.

This proposal would make funds available for additional contributions to the NATO common funding budgets for expenses associated with the NATO military operations in and around Kosovo.

Sec. . Funds appropriated by this Act, or made available by the transfer of funds in this Act, for intelligence activities are deemed to be specifically authorized by the Congress for purposes of section 504 of the National Security Act of 1947 (50 U.S.C. 414).

This proposal would provide the authority required by the National Security Act of 1947 to authorize intelligence agencies and activities to obligate funds for intelligence purposes.

Sec. . Notwithstanding section 5064(d) of the Federal Acquisition Streamlining Act of 1994 (Public Law 103-355), the special authorities provided under section 5064(c) of such Act shall continue to apply with respect to contracts awarded or modified for the Joint Direct Attack Munition (JDAM) program until June 30, 2000: Provided, That a contract or modification to a contract for the JDAM program may be awarded or executed notwithstanding any advance notification requirements that would otherwise apply.

The Federal Acquisition Streamlining Act (FASA) of 1994 provided DoD with authority (section 5064) to conduct five Defense Acquisition Pilot Programs and to apply commercial item exemptions to other than commercial items under the pilot programs. The pilot program authority was made applicable to contracts awarded or performed during the period beginning 45 days after enactment of FASA to September 30, 1998. This proposal would extend the pilot program authority for the Joint Direct Attack Munition program.

INTERNATIONAL ASSISTANCE PROGRAMS

GENERAL PROVISION

Sec. ___. The value of commodities and services authorized by the President through March 31, 1999, to be drawn down under the authority of section 552(c)(2) of the Foreign Assistance Act of 1961 to support international relief efforts relating to the Kosovo conflict shall not be counted against the ceiling limitation of that section: Provided, That such assistance relating to the Kosovo conflict provided pursuant to section 552(c)(2) may be made available notwithstanding any other provision of law.

A one-time increase in this drawdown authority is requested for use, should circumstances warrant, before the end of FY 1999. The Department of Defense has already spent the full $25 million authority in response to the Kosovo humanitarian crisis. This request would allow an additional $25 million to be spent during FY 1999, if needed.