

104th Congress, 2d Session - - - - - House Document 104-180

DEFERRALS OF BUDGET AUTHORITY

MESSAGE

FROM

THE PRESIDENT OF UNITED STATES

TRANSMITTING

A REPORT OF THREE NEW DEFERRALS AND ONE REVISED DEFERRAL OF BUDGET AUTHORITY TOTALING \$3.6 BILLION, AND FOUR RESCISSION PROPOSALS OF BUDGETARY RESOURCES, TOTALING \$140 MILLION, PURSUANT TO 2 U.S.C. 684(a)



FEBRUARY 27, 1996.—Message and accompanying papers referred to the Committee on Appropriations and ordered to be printed

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WASHINGTON : 1996

To the Congress of the United States:

In accordance with the Congressional Budget and Impoundment Control Act of 1974, I herewith report three new deferrals and one revised deferral, totaling \$3.6 billion, and four rescission proposals of budgetary resources, totaling \$140 million.

These deferrals affect the International Security Assistance programs as well as programs of the Agency for International Development. The rescission proposals affect the Department of Defense.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *February 23, 1996.*

CONTENTS OF SPECIAL MESSAGE
 (in thousands of dollars)

Deferral No	ITEM	Budgetary Resources
	Funds Appropriated to the President:	
	International Security Assistance:	
D98-1A	Economic support fund and international fund for Ireland	2,017,076
D98-4	Foreign military financing program.....	1,385,140
D98-5	Foreign military financing loan program.....	64,400
	Agency for International Development:	
D98-6	International disaster assistance, Executive.....	124,625
	Total, deferrals.....	3,591,241

Rescission No	ITEM	Budgetary Resources
	Department of Defense:	
	Research, Development, Test, and Evaluation:	
R98-4	Research, development, test, and evaluation, Army.....	19,500
R98-5	Research, development, test, and evaluation, Navy.....	35,000
R98-6	Research, development, test, and evaluation, Air Force.....	44,900
R98-7	Research, development, test, and evaluation, Defense-wide.....	40,600
	Total, rescissions.....	140,000

**Supplemental Report
Report Pursuant to Section 1014(c) of Public Law 93-344**

This report updates Deferral No. D96-1, which was transmitted to Congress on October 19, 1995.

This revision increases by \$1,942,076,000 the previous deferral of \$75,000,000 in the Economic support fund and International fund for Ireland, resulting in a total deferral of \$2,017,076,000. This increase results from the deferral of funds made available by P.L. 104-107, the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1996.

Deferral No. 98-1A

DEFERRAL OF BUDGET AUTHORITY
 Report Pursuant to Section 1013 of P.L. 93-344

AGENCY: Funds Appropriated to the President	New budget authority..... * \$ 2,359,800,000 (P.L. 104-107)
BUREAU: International Security Assistance	Other budgetary resources..... * \$ 207,782,051
Appropriations title and symbol: Economic support fund and International fund for Ireland 1/ 725/81037 726/71037* 72X1037	Total budgetary resources..... * \$ 2,567,582,051
OMB identification code: 72-1037-0-1-152	Amount to be deferred:
Grant program: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Part of year..... * \$ 2,017,076,000 2/ Entire year..... \$ _____
Type of account or fund: <input type="checkbox"/> Annual <input checked="" type="checkbox"/> Multi-year: September 30, 1997 September 30, 1996 (expiration date) <input checked="" type="checkbox"/> No-Year	Legal authority (in addition to sec. 1013): <input checked="" type="checkbox"/> Antideficiency Act <input type="checkbox"/> Other _____
	Type of budget authority: <input checked="" type="checkbox"/> Appropriation <input type="checkbox"/> Contract authority <input type="checkbox"/> Other _____

Coverage:

Appropriation	Account Symbol	OMB Identification Code	Deferred Amount Reported
Economic Support Fund and International Fund for Ireland.....	725/81037	72-1037-0-1-152	\$ 50,000,000
	72X1037	72-1037-0-1-152	\$ 25,000,000
	726/71037	72-1037-0-1-152	* \$ 1,842,076,000
			* \$ 2,017,076,000

*JUSTIFICATION: The President is authorized by the Foreign Assistance Act of 1961, as amended, to furnish assistance to countries and organizations, on such terms and conditions as he may determine, in order to promote economic or political stability. Section 531(b) of the Act makes the Secretary of State, in cooperation with the Administrator of the Agency for International Development, responsible for policy decisions and justifications for economic support programs, including whether there will be an economic support program for a country and the amount of the program for each country.

Funds are deferred pending the development of country-specific plans that assure that aid is provided in an efficient manner and are reserved for unanticipated program needs. This action is taken pursuant to the Antideficiency Act (31 U.S.C. 1512).

Estimated Program Effect: None

Outlay Effect: None

* Revised from previous report.

1/ This account was the subject of a similar deferral in FY 1995 (D95-1B).

2/ This deferral amount has been reduced to \$1,139,079,859 due to subsequent releases.

Deferral No. 96-4

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Section 1013 of P.L. 93-344

AGENCY: Funds Appropriated to the President	New budget authority..... \$ <u>3,208,380,000</u> (P.L. 104-107)
BUREAU: International Security Assistance	Other budgetary resources... \$ _____
Appropriations title and symbol: Foreign military financing program (FMF) 1/ - 1161082	Total budgetary resources..... \$ <u>3,208,380,000</u>
	Amount to be deferred: Part of year..... \$ <u>1,385,140,000</u> Entire year..... _____
OMB identification code: 11-1082-0-1-152	Legal authority (in addition to sec. 1013): <input checked="" type="checkbox"/> Antideficiency Act <input type="checkbox"/> Other _____
Grant program: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Type of account or fund: <input checked="" type="checkbox"/> Annual <input type="checkbox"/> Multi-year: _____ (expiration date) <input type="checkbox"/> No-Year	Type of budget authority: <input checked="" type="checkbox"/> Appropriation <input type="checkbox"/> Contract authority <input type="checkbox"/> Other _____

JUSTIFICATION: The President is authorized by the Arms Export Control Act to sell or finance by credit, loan guarantees, or grants, articles and defense services to friendly countries to facilitate the common defense. Under Section 2 of the Act, the Secretary of State, under the direction of the President, is responsible for sales made under this Act. Executive Order 11858 further requires the Secretary of State to obtain prior concurrence of the Secretaries of Defense and Treasury, respectively, regarding consistency of transactions with national security and financial policies.

This action defers funds pending review of specific grants to eligible countries by the Departments of State, Treasury, and Defense. The review process will ensure that in each proposed program the proposed recipients are qualified and that the limits of available funds are not exceeded. This action is taken pursuant to the Antideficiency Act (31 U.S.C. 1512).

Estimated Program Effect: None

Outlay Effect: None

1/ This account was the subject of a similar deferral in FY 1985 (D95-2).

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Section 1013 of P.L. 93-344

AGENCY: Funds Appropriated to the President	New budget authority..... \$ <u>64,400,000</u> (P.L. 104-107)
BUREAU: International Security Assistance	Other budgetary resources..... \$ _____
Appropriations title and symbol: Foreign military financing loan program 1/ 1161085	Total budgetary resources..... \$ <u>64,400,000</u>
OMB identification code: 11-1085-0-1-152	Amount to be deferred:
Grant program: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Part of year..... \$ <u>64,400,000</u>
Type of account or fund: <input checked="" type="checkbox"/> Annual <input type="checkbox"/> Multi-year: _____ (expiration date) <input type="checkbox"/> No-Year	Entire year..... _____
	Legal authority (in addition to sec. 1013): <input checked="" type="checkbox"/> Antideficiency Act <input type="checkbox"/> Other _____
	Type of budget authority: <input checked="" type="checkbox"/> Appropriation <input type="checkbox"/> Contract authority <input type="checkbox"/> Other

JUSTIFICATION: The President is authorized by the Arms Export Control Act to sell or finance by credit, loan guarantees, or grants, articles and defense services to friendly countries to facilitate the common defense. Under Section 2 of the Act, the Secretary of State, under the direction of the President, is responsible for sales made under this Act. Executive Order 11958 further requires the Secretary of State to obtain prior concurrence of the Secretaries of Defense and Treasury, respectively, regarding consistency of transactions with national security and financial policies.

As required by the Federal Credit Reform Act of 1990, this account records the subsidy costs associated with the direct loans obligated and loan guarantees for foreign military financing committed in FY 1992 and beyond. The foreign military financing credit program provides loans that finance sales of defense articles, defense services, and design and construction services to foreign countries and international organizations. The subsidy amounts are estimated on a present value basis.

This action defers funds pending review of specific loans to eligible countries by the Departments of State, Treasury, and Defense. The review process will ensure that in each proposed program the proposed recipients are qualified and that the limits of available funds are not exceeded. This action is taken pursuant to the Antideficiency Act (31 U.S.C. 1512).

Estimated Program Effect: None

Outlay Effect: None

1/ This account was the subject of a similar deferral in FY 1995 (D95-3).

Deferral No. 96-6

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Section 3013 of P.L. 93-344

AGENCY: Funds Appropriated to the President	New budget authority..... \$ 181,000,000 (P.L. 104-107)
BUREAU: Agency for International Development	Other budgetary resources..... \$ 23,386,672
Appropriations title and symbol: International disaster assistance, Executive, 1/ 11X1035	Total budgetary resources..... \$ 204,386,672
	Amount to be deferred:
	Part of year..... \$ 124,825,000
	Entire year..... _____
OMB identification code: 11-1035-0-1-151	Legal authority (in addition to sec. 1013):
Grant program: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Antideficiency Act <input type="checkbox"/> Other _____
Type of account or fund: <input type="checkbox"/> Annual <input type="checkbox"/> Multi-year: _____ (expiration date) <input checked="" type="checkbox"/> No-Year	Type of budget authority: <input checked="" type="checkbox"/> Appropriation <input type="checkbox"/> Contract authority <input type="checkbox"/> Other _____

JUSTIFICATION: The international disaster assistance account allows the President to respond to humanitarian disaster relief efforts throughout the world. Funds are deferred pending the development of country-specific plans to ensure that aid is provided in an efficient manner to those most in need. This deferral action is taken pursuant to the Antideficiency Act (31 U.S.C. 1512).

Estimated Program Effect: None

Outlay Effect: None

1/ This account was the subject of a similar deferral in FY 1995 (D95-5).

DEPARTMENT OF DEFENSE
RESEARCH, DEVELOPMENT, TEST, AND EVALUATION
Research, development, test, and evaluation, Army

Of the funds made available under this heading in Public Law
104-61, \$19,500,000 are rescinded.

PROPOSED RESCISSION OF BUDGET AUTHORITY
Report Pursuant to Section 1012 of P.L. 93-344

AGENCY: Department of Defense	New budget authority..... \$ 4,785,622,000 (P.L. 104-61)
BUREAU: Research, Development, Test, and Evaluation	Other budgetary resources.. \$ _____
Appropriations title and symbol: Research, development, test, and evaluation, Army 216/72040	Total budgetary resources... \$ 4,785,622,000
OMB Identification code: 21-2040-0-1-999	Amount proposed for rescission..... \$ 19,500,000
Grant program: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Legal authority (in addition to sec. 1012): <input type="checkbox"/> Antideficiency Act <input type="checkbox"/> Other _____
Type of account or fund: <input type="checkbox"/> Annual <input checked="" type="checkbox"/> Multi-year: September 30, 1997 (expiration date) <input type="checkbox"/> No-Year	Type of budget authority: <input checked="" type="checkbox"/> Appropriation <input type="checkbox"/> Contract authority <input type="checkbox"/> Other _____

JUSTIFICATION: This appropriation provides for basic and applied scientific research and development test, and evaluation, including maintenance, rehabilitation, lease and operation of facilities and equipment. The funding proposed for rescission is available due to revised economic assumptions.

ESTIMATED PROGRAM EFFECT: The Department of the Army's ability to successfully accomplish its mission would not be affected by this rescission proposal.

OUTLAY EFFECT: (In thousands of dollars):

1996 Outlay Estimate		Outlay Changes					
Without Rescission	With Rescission	FY 1996	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001
5,082,522	5,071,407	-11,115	-6,630	-1,034	-351	-156	-98

R96-5

DEPARTMENT OF DEFENSE
RESEARCH, DEVELOPMENT, TEST, AND EVALUATION
Research, development, test, and evaluation, Navy

Of the funds made available under this heading in Public Law
104-61, \$35,000,000 are rescinded.

PROPOSED RESCISSION OF BUDGET AUTHORITY

Report Pursuant to Section 1012 of P.L. 104-61

AGENCY: Department of Defense		New budget authority..... \$ 8,581,223,000 (P.L. 104-61)
BUREAU: Research, Development, Test, and Evaluation		Other budgetary resources.. \$ _____
Appropriations title and symbol: Research, development, test, and evaluation, Navy 17871319		Total budgetary resources... \$ 8,581,223,000
OMB Identification code: 17-1319-0-1-051		Amount proposed for rescission..... \$ 35,000,000
Grant program: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Legal authority (in addition to sec. 1012): <input type="checkbox"/> Antideficiency Act <input type="checkbox"/> Other _____
Type of account or fund: <input type="checkbox"/> Annual <input checked="" type="checkbox"/> Multi-year: <u>September 30, 1997</u> (expiration date) <input type="checkbox"/> No-Year		Type of budget authority: <input checked="" type="checkbox"/> Appropriation <input type="checkbox"/> Contract authority <input type="checkbox"/> Other _____

JUSTIFICATION: This appropriation provides for basic and applied scientific research, development, test, and evaluation, including maintenance, rehabilitation, lease and operation of facilities and equipment. The funding proposed for rescission is available due to revised economic assumptions.

ESTIMATED PROGRAM EFFECT: The Department of the Navy's ability to successfully accomplish its mission would not be affected by this rescission proposal.

OUTLAY EFFECT: (In thousands of dollars):

1996 Outlay Estimate		Outlay Changes					
Without Rescission	With Rescission	FY 1996	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001
8,397,081	8,378,181	-18,900	-11,340	-3,150	-700	-385	-140

R96-6

DEPARTMENT OF DEFENSE
RESEARCH, DEVELOPMENT, TEST, AND EVALUATION
Research, development, test, and evaluation, Air Force

Of the funds made available under this heading in Public Law
104-61, \$44,900,00 are rescinded.

PROPOSED RESCISSION OF BUDGET AUTHORITY
 Report Pursuant to Section 1012 of P.L. 93-344

AGENCY: Department of Defense		New budget authority.....	\$ 12,872,181,000
BUREAU: Research, Development, Test and Evaluation		(P.L. 104-81)	
Appropriations title and symbol: Research, development, test and evaluation, Air Force 57673600		Other budgetary resources..	\$ 2,100,000,000
		Total budgetary resources...	\$ 14,972,181,000
OMB Identification code: 57-3600-0-1-051		Amount proposed for rescission.....	\$ 44,900,000
Grant program: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Legal authority (In addition to sec. 1012): <input type="checkbox"/> Antideficiency Act <input type="checkbox"/> Other _____	
Type of account or fund: <input type="checkbox"/> Annual <input checked="" type="checkbox"/> Multi-year: September 30, 1997 (expiration date) <input type="checkbox"/> No-Year		Type of budget authority: <input checked="" type="checkbox"/> Appropriation <input type="checkbox"/> Contract authority <input type="checkbox"/> Other _____	

JUSTIFICATION: This appropriation provides for basic and applied scientific research, development, test, and evaluation, including maintenance, rehabilitation, lease and operation of facilities and equipment. The funding proposed for rescission is available due to revised economic assumptions.

ESTIMATED PROGRAM EFFECT: The Department of the Air Force's ability to successfully accomplish its mission would not be affected by this rescission proposal.

OUTLAY EFFECT: (in thousands of dollars):

1996 Outlay Estimate		Outlay Changes					
Without Rescission	With Rescission	FY 1996	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001
11,953,848	11,932,969	-20,879	-17,421	-3,996	-1,816	-494	-180

DEPARTMENT OF DEFENSE
RESEARCH, DEVELOPMENT, TEST, AND EVALUATION
Research, development, test, and evaluation, Defense-wide

Of the funds made available under this heading in Public Law
104-61, \$40,600,000 are rescinded.

PROPOSED RESCISSION OF BUDGET AUTHORITY
 Report Pursuant to Section 1012 of P.L. 104-141

AGENCY: Department of Defense	New budget authority..... \$ 9,269,414,000 (P.L. 104-81)
BUREAU: Research, Development, Test, and Evaluation	Other budgetary resources... \$ 216,265,000
Appropriations title and symbol: Research, development, test, and evaluation Defense-wide 976/70400	Total budgetary resources... \$ 9,485,679,000
OMB Identification code: 97-0400-0-1-051	Amount proposed for rescission..... \$ 40,600,000
Grant program: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Legal authority (in addition to sec. 1012): <input type="checkbox"/> Antideficiency Act <input type="checkbox"/> Other _____
Type of account or fund: <input type="checkbox"/> Annual <input checked="" type="checkbox"/> Multi-year: September 30, 1997 (expiration date) <input type="checkbox"/> No-Year	Type of budget authority: <input checked="" type="checkbox"/> Appropriation <input type="checkbox"/> Contract authority <input type="checkbox"/> Other _____

JUSTIFICATION: This appropriation provides for basic and applied scientific research, development, test, and evaluation, including maintenance, rehabilitation, lease and operation of facilities and equipment. The funding proposed for rescission is available due to revised economic assumptions.

ESTIMATED PROGRAM EFFECT: The DoD's ability to successfully accomplish its mission would not be affected by this rescission proposal.

OUTLAY EFFECT: (in thousands of dollars):

1996 Outlay Estimate		Outlay Changes					
Without Rescission	With Rescission	FY 1996	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001
9,055,535	9,037,874	-17,661	-16,240	-4,872	-609	-609	-162

