

AMENDMENTS TO THE FISCAL YEAR 1998  
APPROPRIATIONS

---

COMMUNICATION

FROM

**THE PRESIDENT OF THE UNITED STATES**

TRANSMITTING

AMENDMENTS TO THE FISCAL YEAR 1998 APPROPRIATIONS RE-  
QUESTS FOR THE OFFICE OF THE UNITED STATES TRADE REP-  
RESENTATIVE (USTR) AND THE DEPARTMENT OF TRANSPOR-  
TATION, PURSUANT TO 31 U.S.C. 1107



SEPTEMBER 18, 1997.—Referred to the Committee on Appropriations and  
ordered to be printed

---

U.S. GOVERNMENT PRINTING OFFICE

THE WHITE HOUSE,  
*Washington, September 16, 1997.*

SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I ask Congress to consider the enclosed amendments to the FY 1998 appropriations requests for the Office of the United States Trade Representative (USTR) and the Department of Transportation. This proposal would provide \$1,700,000 to the USTR for additional staffing to address the increased workload related to settlement of trade dispute cases and trade negotiations, as well as funding an Assistant Secretary for Africa. I believe that these resources are essential to carrying out USTR's statutory responsibility to enforce and monitor existing trade agreements, to implement the Uruguay Round, and to negotiate further with the Free Trade Agreement of the Americas (FTAA) and the Asia Pacific Economic Cooperation (APEC). The requested increase for the USTR is offset fully by a reduction to the request for the Department of Transportation's Maritime Administration.

The details of these actions 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

September 16, 1997

The President

The White House

Submitted for your consideration are amendments to your FY 1998 appropriations requests for the Office of the United States Trade Representative (USTR) and the Department of Transportation

USTR has requested additional funding for FY 1998 to address dramatically increased workload and to carry out its statutory responsibilities. Since the World Trade Organization (WTO) was established in January 1995, the United States has filed 32 complaints under WTO dispute settlement procedures; during the same period, 16 complaints have been filed against the United States. Thus USTR's legal resources have been devoted to defending U.S. interests in challenges to U.S. practices as well as prosecuting cases of non-compliance by foreign governments with their trade agreement obligations. With additional resources, USTR will be able to be more proactive in pursuing challenges of foreign trade agreement violations that it is unable to pursue now because of the number of defensive cases that its current litigation staff is handling.

The \$1.7 million requested for USTR includes \$1,000,000 for ten additional full-time equivalents (FTEs) to manage the sevenfold increase of cases under the World Trade Organization (WTO) that USTR has experienced since the new WTO dispute settlement procedures were instituted in January 1995. These positions include seven litigators, two paralegals, and one secretary. USTR believes that the specialized legal and litigation skills they need are not available in the General Counsel offices of other agencies.

Another four FTEs and \$450,000 is to add negotiators with specialized expertise in market access, standards, government procurement and services to work on Free Trade Area of the Americas, Asia Pacific Economic Cooperation, and World Trade Organization implementation and accession negotiations. USTR believes that they lack core negotiators in each of these functions.

The remaining \$250,000 is to fund two additional FTEs -- a newly-created position of Assistant United States Trade Representative for Africa and one support position -- as well as for negotiator travel, office computers, and other anticipated expenses for this new office, which will be instrumental in implementing your "Partnership for Economic Growth and Opportunity in Africa" initiative. USTR hopes to fill the Assistant United States Trade Representative position as quickly as possible.

The increases for the USTR are offset fully by a reduction to your request for the Department of Transportation's Maritime Administration.

I have carefully reviewed these proposals and am satisfied they are necessary at this time. Therefore, I join the United States Trade Representative and the Secretary of Transportation in recommending that you approve these requests by signing the enclosed letter to the Speaker of the House of Representatives.

Sincerely,

A handwritten signature in black ink, appearing to read 'F. D. Raines', written over a horizontal line.

Franklin D. Raines  
Director

Enclosures

*FY 1998 Budget Amendment*

Agency:	EXECUTIVE OFFICE OF THE PRESIDENT
Bureau:	OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE
Heading:	Salaries and Expenses
FY 1998 Budget Appendix Page:	66
Pending Request:	\$22,092,000
Proposed Amendment:	\$1,700,000
Revised Request:	\$23,792,000

This amendment would provide \$1.7 million and 16 full-time equivalents (FTEs) to the Office of the United States Trade Representative (USTR) as follows:

- \$1,000,000 for ten additional FTEs (seven litigators, two paralegals, and one secretary) to manage the increased volume of cases that USTR expects in FY 1998. USTR believes that the specialized legal and litigation skills they need are not available in the General Counsel offices of other agencies.
- Four FTEs and \$450,000 to add staff to work on Free Trade Area of the Americas (FTAA), Asia Pacific Economic Cooperation (APEC), and World Trade Organization (WTO) implementation and accession negotiations. USTR believes that they lack core negotiators in each of these functions.
- \$250,000 for two additional FTEs -- a newly-created position of Assistant United States Trade Representative (AUSTR) for Africa and one support position -- as well as for negotiator travel, office computers, and other anticipated expenses for this new office, which will be instrumental in implementing the President's "Partnership for Economic Growth and Opportunity in Africa" initiative. USTR hopes to fill the AUSTR position as quickly as possible.

This proposal would be offset fully by the accompanying proposed reduction to the Maritime Guaranteed Loan (Title XI) Program Account of the Department of Transportation's Maritime Administration.

*FY 1998 Budget Amendment*

Agency:	DEPARTMENT OF TRANSPORTATION	
Bureau:	MARITIME ADMINISTRATION	
Heading:	Maritime Guaranteed Loan (Title XI) Program Account	
FY 1998 Budget Appendix Page:	828	
FY 1998 Pending Request:	\$35,000,000	(subsidy BA)
	\$4,000,000	(administrative expenses)
Proposed Amendment:	-\$1,700,000	(subsidy BA)
	---	(administrative expenses)
Revised Request:	\$33,300,000	(subsidy BA)
	\$4,000,000	(administrative expenses)

This amendment would reduce the amount requested for subsidy budget authority for the Maritime Administration's Maritime Guaranteed Loan (Title XI) Program Account by \$1,700,000. Title XI provides for guaranteed loans for purchasers of ships from the U.S. shipbuilding industry and for modernization of U.S. shipyards. The process of issuing guarantees took longer than anticipated, and Title XI's FY 1997 carryover balance will be higher than previously expected. This reduction, therefore, will have no adverse effect on the program.

This proposed amendment would offset fully the proposed increase for the Office of the United States Trade Representative contained in the accompanying amendment.