105th Congress, 1st Session – – – – – – – – – – – – – House Document 105–156

CANCELLATION OF DOLLAR AMOUNT OF DISCRETIONARY BUDGET AUTHORITY

MESSAGE

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

A REPORT CANCELLING THE DOLLAR AMOUNT OF DISCRETIONARY BUDGET AUTHORITY CONTAINED IN THE TREASURY AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 1998, PURSUANT TO PUB. L. 104–130, SEC. 2(c) (110 STAT. 1201)

OCTOBER 21, 1997.—Message and accompanying papers referred to the Committees on the Budget, Government Reform and Oversight, and Appropriations and ordered to be printed

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THE WHITE HOUSE,
Washington, October 16, 1997.

Hon. NEWT GINGRICH,
Speaker of the House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: In accordance with the Line Item Veto Act, I hereby cancel the dollar amount of discretionary budget authority, as specified in the attached report, contained in the "Treasury and General Government Appropriations Act, 1998" (Public Law 105–61; H.R. 2378). I have determined that the cancellation of this amount will reduce the Federal budget deficit, will not impair any essential Government functions, and will not harm the national interest. This letter, together with its attachment, constitutes a special message under section 1022 of the Congressional Budget and Impoundment Control Act of 1974, as amended.

Sincerely,

WILLIAM J. CLINTON.

Cancellation No. 97-56

CANCELLATION OF
DOLLAR AMOUNT OF DISCRETIONARY BUDGET AUTHORITY
Report Pursuant to the Line Item Veto Act, P.L. 104-130

Bill Citation: "Treasury and General Government Appropriations Act, 1998" (H.R. 2378)

1(A). Dollar Amount of Discretionary Budget Authority: $8,000 thousand in FY 1998, $183,000 thousand in FY 1999, $209,000 thousand in FY 2000, $221,000 thousand in FY 2001, and $233,000 thousand in FY 2002 due to reductions in employee contributions to the Civil Service Retirement and Disability Fund (CSRDF). These reduced contributions would result from employee elections to switch retirement coverage to the Federal Employees Retirement System (FERS) from enrollment in the Civil Service Retirement System (CSRS) that is authorized by Section 642.

1(B). Determinations: This cancellation will reduce the Federal budget deficit, will not impair any essential Government functions, and will not harm the national interest.

1(C), (E). Reasons for Cancellation; Facts, Circumstances, and Considerations Relating to or Bearing Upon the Cancellation; and Estimated Effect of Cancellation on Objects, Purposes, and Programs: Section 642 would require the Office of Personnel Management to conduct an Open Season to permit Federal employees to switch enrollment from CSRS to FERS between July 1, 1998 and December 31, 1998. The estimated impact is the net reduction in employee contributions to the CSRDF trust fund from 7 percent of pay under CSRS to 0.8 percent under FERS. It is estimated that 5 percent of CSRS-covered employees would switch. This provision is being canceled because: (1) it would require the employing agencies to absorb increased retirement costs, using funds that otherwise would be available for payroll and other agency needs; (2) it would inhibit agency downsizing and restructuring efforts by discouraging voluntary turnover; (3) it was not requested in the President's FY 1998 budget; and (4) it was not the subject of extensive deliberation and debate prior to enactment.

1(D). Estimated Fiscal, Economic, and Budgetary Effect of Cancellation: As a result of the cancellation, Federal receipts will not decrease, as specified below. This will have a commensurate effect on the Federal budget deficit and, to that extent, will have a beneficial effect on the economy.

Receipt Changes (in thousands of dollars)					
FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	Total
-$8,000	-$183,000	-$209,000	-$221,000	-$233,000	-$854,000

1(F). Adjustments to Non-Defense Discretionary Spending Limits:

Budget authority:	The estimated budget authority effect for each year is equal to the receipt changes shown above.
Outlays:	The estimated outlay effect for each year is equal to the receipt changes shown above.

Evaluation of Effects of These Adjustments upon Sequestration Procedures: If a sequestration were required, such sequestration would occur at levels that are reduced by the amounts above.

2(A). Agency: Office of Personnel Management
2(A). Bureau: None
2(A). Governmental Function/Project (Account): Civil Service retirement (Civil Service Retirement and Disability Fund)

2(B). States and Congressional Districts Affected: All

2(C). Total Number of Cancellations (inclusive) in Current Session in each State and District identified above: The provision would have had a national effect.

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