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REQUESTS FOR FY 2004 BUDGET AMENDMENTS

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

REQUESTS FOR ADDITIONAL EMERGENCY FY 2004 SUPPLEMENTAL APPROPRIATIONS FOR THE DEPARTMENTS OF DEFENSE, HEALTH AND HUMAN SERVICES, HOMELAND SECURITY, HOUSING AND URBAN DEVELOPMENT, THE INTERIOR, AND VETERANS AFFAIRS, THE CORPS OF ENGINEERS, THE NATIONAL AERONAUTICS AND SPACE ADMINISTRATION, THE SMALL BUSINESS ADMINISTRATION, AND THE EXECUTIVE OFFICE OF THE PRESIDENT

SEPTEMBER 14, 2004.—Referred to the Committee on Appropriations and ordered to be printed

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THE WHITE HOUSE,
Washington, September 14, 2004.

Hon. J. DENNIS HASTERT,
Speaker of the House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: On September 6th, I submitted a supplemental request totaling $2 billion for the Department of Homeland Security for urgent needs associated with Hurricanes Charley and Frances. The Congress' prompt action on this request ensured that immediate response efforts to these recent disasters would continue uninterrupted. In addition to utilizing the supplemental funds provided in Public Law 108–303, the Emergency Supplemental Appropriations for Disaster Relief Act, Federal Government agencies will continue to use existing resources and programs for response and recovery efforts.

I now ask the Congress to consider the enclosed requests, totaling $3.1 billion, for additional emergency FY 2004 supplemental appropriations for the Departments of Defense, Health and Human Services, Homeland Security, Housing and Urban Development, the Interior, and Veterans Affairs, the Corps of Engineers, the National Aeronautics and Space Administration, the Small Business Administration, and the Executive Office of the President.

I hereby designate these specific proposals in the amounts requested herein as emergency requirements. As I stated in my previous request, these additional requests will allow for a comprehensive response and recovery effort to address the critical needs associated with both of these hurricanes in Florida, North Carolina, South Carolina, and other affected areas. I urge the Congress to limit this emergency request to those items directly related to the recovery efforts from the impact of these recent major disasters.

The details of these requests are set forth in the enclosed letter from the Director of the Office of Management and Budget.

Sincerely,

GEORGE W. BUSH.

[Estimate No. 11, 108th Cong. 2d Sess.]

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, September 14, 2004.

The PRESIDENT,
The White House.

On September 6th, you submitted a supplemental request totaling $2 billion for the Department of Homeland Security for urgent needs associated with Hurricanes Charley and Frances. The Congress passed on September 7th and you signed into law on September 8th, P.L. 108–303, the Emergency Supplemental Appropriations for Disaster Relief Act, 2004, so that immediate response efforts to these recent disasters would continue uninterrupted.

Submitted for your consideration are additional FY 2004 emergency supplemental proposals, totaling $3.1 billion, for the Departments of Defense, Health and Human Services, Homeland Security, Housing and Urban Development, the Interior, and Veterans Affairs, the Corps of Engineers, the National Aeronautics and Space Administration, the Small Business Administration (SBA), and the Executive Office of the President. These funds are being requested to continue immediate needs assistance to address the impact of Hurricanes Charley and Frances and provide for a comprehensive response and recovery effort in Florida, North Carolina, South Carolina and other affected areas. When combined with already enacted emergency appropriations, supplemental funding associated with these major disasters will exceed $5 billion. Total Federal grant and loan assistance, including action taken with existing resources and programs, will likely exceed $7 billion.

At this time, Hurricane Ivan continues to pose a threat of further catastrophic damage in the Southeastern United States. Should it prove necessary, I will make further recommendations to you regarding the impact of this storm prior to final Congressional action on the enclosed request.

As described below and in more detail in the enclosures, the requests include the following:

Department of Defense

• $72.5 million is requested for the Department of Defense for costs associated with the evacuation, base preparation, base recovery, and damage to structure and equipment at various military facilities caused by Hurricanes Charley and Frances.

Department of Health and Human Services

• $50.0 million is requested for the Public Health and Social Services Emergency Fund to help provide nutritional, medical and social services to affected elderly individuals; provide social services support to communities most affected by the hurricane; make avail-

able counseling services; support an increase in demand for unreimbursed health care; and restore community health centers in the impacted areas.

Department of Homeland Security

• $2.0 billion is requested for the Federal Emergency Management Agency (FEMA) to provide support for the response and recovery of Hurricanes Charley and Frances and other ongoing and future disasters. This assistance is to pay for public infrastructures such as schools, police stations, bridges and roads. The funding will also support assistance to families and individuals, so that they can be housed, fed, and provided with medical and other care.

• $8.0 million is requested for the United States Coast Guard to repair damages to Coast Guard facilities, to replace lost or damaged buoys and channel markers, and for other emergency expenses such as personnel evacuation and activation of Coast Guard reserve personnel.

Department of Housing and Urban Development

• $150.0 million is requested for Community Development Grants to the State of Florida for emergency expenses to help replace damaged homes, including replacement of destroyed farm labor housing and housing for other low-income persons, properties, and businesses, and for economic redevelopment projects.

Department of the Interior

• $21.3 million is requested for clean-up and facility repair needs at national wildlife refuges and national park units that were damaged by Hurricanes Charley and Frances, including Merritt Island, J.H. "Ding" Darling, Okefenokee in Florida and the Blue Ridge Parkway in North Carolina.

Department of Veterans Affairs (VA)

• $24.1 million is requested for hurricane response and relief to VA facilities. Uses include, but are not limited to, repairing hospitals and outpatient clinics, as well as reimbursing VA for assistance to local communities, overtime for VA staff, and contracting with medical providers for care.

Corps of Engineers (Corps)

• $118.0 million is requested for the Corps to restore navigation channels, repair and rehabilitate coastal areas, and address other projects in areas affected by Hurricanes Charley and Frances.

National Aeronautics and Space Administration (NASA)

• $126.0 million is requested for NASA, including: $89 million for repair of buildings and communications systems at Kennedy Space Center; $23 million for repair of equipment exposed to the weather; and $14 million to provide temporary workspaces for displaced employees.

Small Business Administration

• $457.0 million is requested to provide funds to cover the large number of disaster loans expected to be made to individuals and businesses due to Hurricanes Charley and Frances.

Unanticipated Needs

• $70.0 million is requested to support the American Red Cross in their mission to shelter, feed and otherwise support victims of the recent natural disasters in Florida and other affected areas. The American Red Cross is the only non-governmental agency with responsibilities under the National Response Plan, and back-to-back major hurricanes have put an unprecedented strain on its finances. Traditionally, the American Red Cross relies on private donors to support its relief activities, not taxpayer funds, and that will continue to be the case for future disasters.

All of the requests in the transmittal are for the purpose of fulfilling known and urgent requirements that cannot reasonably be met through the use of existing agency funds. I recommend that you designate the specific proposals contained in this transmittal as emergency requirements.

I have carefully reviewed these proposals and am satisfied that they are necessary at this time. Therefore, I join the heads of the affected Departments and agencies in recommending you transmit the proposals to the Congress.

Sincerely,

JOSHUA B. BOLTEN,
Director.

Enclosures.

DEPARTMENT OF DEFENSE

OPERATION AND MAINTENANCE, DEFENSE-WIDE

For an additional amount for "Operation and Maintenance, Defense-Wide", $72,500,000, to remain available until September 30, 2005 for emergency expenses resulting from natural or other disasters, for the costs of repairs to structures and equipment, evacuation, base preparation, base recovery, and delayed satellite launches: Provided, That Congress designates these amounts as an emergency requirement for this specific purpose: Provided further, That the Secretary of Defense may transfer these funds to appropriations for military personnel; operation and maintenance; procurement; and family housing: Provided further, That funds transferred shall be merged with and made available for the same purposes and for the same time period as the appropriation to which transferred: Provided further, That this transfer authority is in addition to any other transfer authority available to the Department of Defense.

This request would provide additional funds to the Department of Defense (DoD) to cover the costs associated with evacuation, base preparation, base recovery, damage to structure and equipment, and launch delays ($17 million), caused by Hurricanes Charley and Frances.

Estimates of damage caused by these hurricanes to Patrick AFB and Cape Canaveral AS are $42.1 million. These estimates include base preparation and recovery, evacuation, and repairs for roofs, windows and water damage.

Estimates of damage caused by these hurricanes to MacDill AFB are $2.1 million. These estimates include base preparation and recovery, evacuation, and repairs for roofs, windows, and water damage.

Estimates of damage caused by these hurricanes to various Navy and Marine Corps installations are $10.2 million. These estimates include base preparation and recovery, water damage, dredging, and facility and roadway damage. The installations included in these estimates are NAS Pensacola/Whiting, NOTU Port Canaveral, NSA Orlando, NS Mayport, NAS Jacksonville, SB Kings Bay, NSA Athens, NSGA Sugar Grove, MCB Camp Lejune and Blount Island Command.

Estimates of damage caused by these hurricanes to Avon Park AFR are $1.1 million. These estimates include base preparation and recovery and facility repair.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

DEPARTMENTAL MANAGEMENT

PUBLIC HEALTH AND SOCIAL SERVICES EMERGENCY FUND

For an additional amount for "Public Health and Social Services Emergency Fund" to support aging services, social services and health services associated with natural disaster recovery and response efforts, $50,000,000, to remain available until expended: Provided, That Congress designates this amount as an emergency requirement for this specific purpose.

This request would provide an additional $50 million for the Department of Health and Human Services for hurricane response and relief to aging Americans, children, families, individuals with disabilities, low-income individuals and the communities in which they live. Uses include, but are not limited to, helping provide nutritional, medical and social services to affected elderly individuals; providing social services support to communities most affected by Hurricanes Charley and Frances; making available counseling services; supporting an increase in demand for unreimbursed health care; and restoring community health centers in the impacted areas.

DEPARTMENT OF HOMELAND SECURITY

EMERGENCY PREPAREDNESS AND RESPONSE

DISASTER RELIEF FUND

For an additional amount for necessary expenses under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), $2,000,000,000, to remain available until expended: Provided, That Congress designates this amount as an emergency requirement for this specific purpose.

This request would provide an additional $2.0 billion for the Department of Homeland Security's Federal Emergency Management Agency for disaster relief associated with Hurricanes Charley and Frances as well as other ongoing and future disasters. The funding will support response and recovery efforts, including assistance to families and individuals, and other urgent requirements such as emergency protective measures and debris removal in the affected areas. Additionally, this funding will support the rebuilding of state and local public infrastructure.

DEPARTMENT OF HOMELAND SECURITY

UNITED STATES COAST GUARD

OPERATING EXPENSES

For an additional amount for "Operating Expenses" for expenses resulting from the recent natural disasters in the southeastern United States, $8,000,000, to remain available until expended: Provided, That Congress designates this amount as an emergency requirement for this specific purpose.

The Coast Guard will use these funds to repair damaged facilities, replace lost or damaged aids to navigation, cover the cost of personnel evacuation in advance of the disasters and reserve mobilization to complete post-disaster clean-up and repair, and pay for other emergency expenses associated with Hurricanes Charley and Frances.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

COMMUNITY PLANNING AND DEVELOPMENT

COMMUNITY DEVELOPMENT FUND

For an additional amount for "Community Development Fund," as authorized under title I of the Housing and Community Development Act of 1974 (Act), for emergency expenses resulting from natural disasters in Florida except those activities reimbursable by the Federal Emergency Management Agency or available through the Small Business Administration, and for reimbursement for expenditures incurred from the regular Community Development Block Grant formula allocation used to achieve these same purposes, $150,000,000, to remain available until September 30, 2007: Provided, That Congress designates this amount as an emergency requirement for this specific purpose: Provided further, That such funds may be awarded to the State of Florida for affected areas: Provided further, That notwithstanding 42 U.S.C. 5306(d)(2) the State of Florida is authorized to provide such assistance to entitlement communities: Provided further, That in administering these funds for economic revitalization activities in Florida the Secretary may waive, or specify alternative requirements for, any provision of any statute or regulation that the Secretary administers in connection with the obligation by the Secretary or the use by the recipient of these funds (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment), upon a finding that such waiver is required to facilitate the use of such funds, and would not be inconsistent with the overall purpose of the statute or regulation: Provided further, That for activities funded by amounts provided herein, the Secretary may waive, on a case-by-case basis and upon such other terms as the Secretary may specify, in whole or in part, the requirements that activities principally benefit persons of low- and moderate-income pursuant to 42 U.S.C. 5301(c) and 5304(b)(3): Provided further, That the Secretary shall publish in the Federal Register any waiver of any statute or regulation authorized under this heading no later than 5 days before the effective date of such waiver.

This request would provide an additional $150 million for Community Planning and Development for the State of Florida for emergency expenses to help replace damaged homes, including replacement of destroyed farm labor housing and housing for other low-income persons, properties, and businesses, and for economic redevelopment projects.

DEPARTMENT OF THE INTERIOR

FISH AND WILDLIFE SERVICE

CONSTRUCTION

For an additional amount for "Construction," $13,900,000, to remain available until expended: Provided, That Congress designates this amount as an emergency requirement for this specific purpose.

This request would provide additional funds to the Fish and Wildlife Service for clean-up and facility repair needs at the Merritt Island, J.H. "Ding" Darling, Okefenokee and other national wildlife refuges that were damaged by Hurricanes Charley and Frances.

DEPARTMENT OF THE INTERIOR

NATIONAL PARK SERVICE

CONSTRUCTION AND MAJOR MAINTENANCE

For an additional amount for "Construction and Major Maintenance," $7,400,000, to remain available until expended: Provided, That Congress designates this amount as an emergency requirement for this specific purpose.

This request would provide additional funds to the National Park Service for clean-up and facility repair needs at national park units in Florida and North Carolina that were damaged by Hurricanes Charley and Frances, including the Dry Tortugas National Park in Florida and the Blue Ridge Parkway in North Carolina.

DEPARTMENT OF VETERANS AFFAIRS

VETERANS HEALTH ADMINISTRATION

MEDICAL SERVICES

For an additional amount for "Medical Services" for expenses related to the recent natural disasters in the Southeast $5,800,000, to remain available until September 30, 2005: Provided, That Congress designates this amount as an emergency requirement for this specific purpose.

This request would provide an additional $5.8 million for the Department of Veterans Affairs (VA) for response and relief efforts associated with Hurricanes Charley and Frances. Uses include, but are not limited to reimbursing VA for equipment and purchasing of contract medical providers.

DEPARTMENT OF VETERANS AFFAIRS

VETERANS HEALTH ADMINISTRATION

MEDICAL FACILITIES

For an additional amount for "Medical Facilities" for expenses related to the recent natural disasters in the Southeast, $16,800,000, to remain available until expended: Provided, That Congress designates this amount as an emergency requirement for this specific purpose.

This request would provide an additional $16.8 million for the Department of Veterans Affairs (VA) for hurricane response and relief to VA facilities. Uses include, but are not limited to, repairing hospitals and outpatient clinics.

DEPARTMENT OF VETERANS AFFAIRS

VETERANS HEALTH ADMINISTRATION

MEDICAL ADMINISTRATION

For an additional amount for "Medical Administration" for expenses related to the recent natural disasters in the Southeast, $1,500,000, to remain available until September 30, 2005: Provided, That Congress designates this amount as an emergency requirement for this specific purpose.

This request would provide an additional $1.5 million for the Department of Veterans Affairs (VA) for hurricane response and relief. Uses include, but are not limited to reimbursing VA for travel that VA employees undertook to Florida to assist in Hurricanes Charley and Frances relief efforts, and reimbursing VA for any assistance given to local communities for health care or shelter.

CORPS OF ENGINEERS—CIVIL WORKS

OPERATION AND MAINTENANCE, GENERAL

For an additional amount for "Operation and Maintenance," to dredge navigation channels and repair other Corps projects in southern and eastern states affected by natural disasters, $30,000,000, to remain available until expended: Provided, That Congress designates this amount as an emergency requirement for this specific purpose.

This request would provide an additional $30 million to the Corps of Engineers. Hurricanes Charley and Frances caused severe shoaling in certain channels, making them unsafe or impassable for some commercial vessels, and damaged other projects. These funds would be used to restore navigation channels and other projects in Florida and other southern and eastern states that the Corps is authorized to maintain. The Corps would use these funds to dredge channels back to their operating depths existing prior to Hurricanes Charley and Frances, and repair other projects such as the Central and South Florida Project (including the Herbert Hoover Dike and Lake Okeechobee).

CORPS OF ENGINEERS—CIVIL WORKS

FLOOD CONTROL AND COASTAL EMERGENCIES

For an additional amount for "Flood Control and Coastal Emergencies," as authorized by section 5 of the Flood Control Act of August 16, 1941, as amended (33 U.S.C. 701n) for emergency response to and recovery from coastal storm damages and flooding in southern and eastern states caused by natural disasters, $88,000,000, to remain available until expended: Provided, That Congress designates this amount as an emergency requirement for this specific purpose.

This request would provide $88 million for the Flood Control and Coastal Emergencies account of the Army Corps of Engineers—Civil Works. Hurricanes Charley and Frances caused severe dam-

age to coastal storm protection and flood protection features eligible for assistance under the Flood Control and Coastal Emergencies program. The requested funds would be used in southern and eastern states to finance the costs of Corps of Engineers emergency operations in response to natural disasters, and the costs of recovery activities such as repair and rehabilitation of eligible features damaged by Hurricanes Charley and Frances. The extent of repair and rehabilitation of beach erosion would be the lesser of the amount required for emergency protection or replacing sand eroded by the storms.

In conducting flood and storm response activities to Hurricanes Charley and Frances, the Corps of Engineers has exhausted its Flood Control and Coastal Emergencies funds and has transferred $5 million thus far from another appropriation account under current authority, with more transfers possible. The total estimate for flood and storm response activities funded from this account is $20 million, including the reimbursement of transferred funds. The total estimate for follow-on recovery activities, including repair and rehabilitation of eligible protective features, is $68 million.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

SPACE FLIGHT CAPABILITIES

For an additional amount for "Space Flight Capabilities," to repair facilities damaged and take other emergency measures due to the effects of hurricanes, $126,000,000, to remain available until expended: Provided, That Congress designates this amount as an emergency requirement for this specific purpose.

This request would provide $89 million for repair of buildings and communications systems at NASA's Kennedy Space Center, including the cleanup and repair of the Vehicle Assembly Building and the repair of the Thermal Protection System Facility and the temporary relocation of its production capability; $23 million for repair of equipment exposed to the weather; and $14 million to provide temporary workspaces for displaced employees.

SMALL BUSINESS ADMINISTRATION

DISASTER LOANS PROGRAM ACCOUNT

For an additional amount for "Disaster Loans Program Account" for emergency expenses resulting from natural or other disasters, to remain available until expended, $248,000,000 for the cost of direct loans; and $209,000,000 for administrative expenses to carryout the disaster loan program, which may be transferred to the appropriations for "Salaries and expenses": Provided, That Congress designates the amounts provided herein as an emergency requirement for this specific purpose.

This request would provide additional funds to the Small Business Administration (SBA) to cover the large number of disaster loans expected to be made to individuals and businesses in the wake of Hurricanes Charley and Frances. In order to ensure adequate response to victims of the hurricane, the Administration is

requesting $457 million in budget authority to cover loan subsidy ($248 million) and loan making ($209 million) activities. Including already appropriated funds, this request would allow SBA to make up to $2.3 billion in loans to aid in the recovery from these major disasters.

EXECUTIVE OFFICE OF THE PRESIDENT

UNANTICIPATED NEEDS

For an additional amount for "Unanticipated Needs", not to exceed $70,000,000, to remain available until September 30, 2005, for the American Red Cross for reimbursement of disaster relief and recovery expenditures and emergency services associated with Hurricanes Charley, Frances and Ivan, and only to the extent funds are not made available for those activities by other federal sources: Provided, That these funds may be administered by any authorized federal government agency to meet the purposes of this provision and that total administrative costs shall not exceed three percent of the total appropriation: Provided further, That the Comptroller General shall audit the use of these funds by the American Red Cross: Provided, That Congress designates this amount as an emergency requirement for this specific purpose.

$70.0 million is requested to support the American Red Cross in their mission to shelter, feed and otherwise support victims of the recent natural disasters in Florida and other affected areas. The American Red Cross is the only non-governmental agency with responsibilities under the National Response Plan, and back-to-back major hurricanes have put an unprecedented strain on its finances. Traditionally, the American Red Cross relies on private donors to support its relief activities, not taxpayer funds, and that will continue to be the case for future disasters. This funding will not duplicate other federally funded disaster response and recovery activities.

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