## THE WHITE HOUSE WASHINGTON

April 16, 2012

Dear Mr. Speaker:

I ask the Congress to consider the enclosed Fiscal Year (FY) 2013 Budget amendments for the Departments of Defense, Health and Human Services, Homeland Security, Housing and Urban Development, State and Other International Programs, as well as the Corps of Engineers. Also included is an amendment to a Government-wide general provision. These amendments will not increase the overall discretionary budget authority in my FY 2013 Budget.

In addition, this transmittal contains FY 2013 amendments for the Legislative Branch. As a matter of comity and per tradition, these appropriations requests for the Legislative Branch are transmitted without change.

These amendments are necessary to reflect correctly policies assumed in the FY 2013 Budget. The details of these amendments are set forth in the enclosed letter from the Acting Director of the Office of Management and Budget.

Sincerely,

The Honorable John Boehner Speaker of the House of Representatives Washington, D.C. 20515

Enclosure



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

April 16, 2012

The President
The White House

Submitted for your consideration are amendments to your Fiscal Year (FY) 2013 Budget for the Departments of Defense, Health and Human Services, Homeland Security, Housing and Urban Development, State and Other International Programs, as well as the Corps of Engineers. Also included is an amendment to a Government-wide general provision. These amendments are necessary to correctly reflect policies assumed in your FY 2013 Budget. The proposed Budget totals would not be affected by these requests.

In a letter dated February 29, 2012, the Office of Management and Budget provided advance notice to the Congress of an aforementioned Department of Homeland Security (DHS) technical amendment so that it could be considered before the Congressional Budget Office completed action on its reestimate of your FY 2013 Budget. The proposed amendment would eliminate a U.S. Customs and Border Protection general provision inadvertently included in the Budget. The provision would make particular fee collections available for expenditure that were already assumed to be collected under current law. Maintaining this provision would likely result in an unintended cost in the budget year as well as in the outyears.

This transmittal also contains FY 2013 amendments for the Legislative Branch. As a matter of comity and per tradition, these appropriations requests for the Legislative Branch are transmitted without change.

#### Recommendation

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

Sincerely,

Jeffrey D. Zients Acting Director

**Enclosures** 

Heading: GENERAL PROVISIONS GOVERNMENT-WIDE

FY 2013 Budget

Appendix Pages: 12

FY 2013

Pending Request: ---

Proposed Revision: Language

Revised Request: ---

(In the appropriations language under the above heading, delete section 729 and renumber the subsequent sections accordingly.)

This amendment would remove language that that was inadvertently retained from the FY 2012 enacted appropriations legislation. This provision prohibits the use of appropriated funds in contravention of the Privacy Act and is unnecessary because the Privacy Act is already applicable. The amendment would reflect correctly the policy assumed in the FY 2013 Budget.

Agency: DEPARTMENT OF DEFENSE

Heading: TITLE VIII—GENERAL PROVISIONS

FY 2013 Budget

Appendix Page: 337

FY 2013

Pending Request: ---

Proposed Amendment: Language

Revised Request: ---

(In the appropriations language under the above heading, in section 8046 insert an opening bracket just after "Act" and immediately before "for", insert a closing bracket immediately after "maintenance", insert the phrase <u>and transfers</u> just after "remittances" and immediately before "to", and delete the proviso.)

This amendment would modify the proposed language in the Budget in order to clarify that the transfer authority provided to the Secretary of Defense for the Defense Acquisition Workforce Development Fund in this section would apply only to funds appropriated for FY 2013. Without this amendment, the transfer authority could be interpreted as a request for a reappropriation of funds for prior fiscal years.

This amendment would reflect correctly the policy assumed in the FY 2013 Budget. The proposed FY 2013 Budget totals would not be affected by this language amendment.

Agency: DEPARTMENT OF HEALTH AND HUMAN SERVICES

Bureau: NATIONAL INSTITUTES OF HEALTH

Heading: Office of the Director

FY 2013 Budget

Appendix Page: 489

FY 2013

Pending Request: ---

Proposed Amendment: Language

Revised Request: ---

(In the appropriations language under the above heading, delete "213" and substitute 212.)

This amendment would provide the correct section number of a general provision referenced in the language and reflect accurately the policy assumed in the FY 2013 Budget.

Agency: DEPARTMENT OF HOMELAND SECURITY

Bureau: CUSTOMS AND BORDER PROTECTION

Heading: Automation Modernization

FY 2013 Budget

Appendix Page: 558

FY 2013

Pending Request: \$140,790,000

Proposed Amendment: \$4,000

Revised Request: \$140,794,000

(In the appropriations language under the above heading, delete "\$140,790,000" and substitute \$140,794,000.)

This amendment would correct the appropriations request for the Customs and Border Protection, Automation Modernization account by \$4,000 to reflect accurately the policy assumed in the FY 2013 Budget.

Agency: DEPARTMENT OF HOMELAND SECURITY

Heading: General Provisions

FY 2013 Budget

Appendix Pages: 600-601

FY 2013

Pending Request: ---

Proposed Revision: Language

Revised Request: ---

(In the appropriations language under the above heading, delete section 542 and renumber the subsequent sections accordingly.)

This amendment would remove language (section 542) that was inadvertently included in the FY 2013 Budget for the Department of Homeland Security's U.S. Customs and Border Protection. Section 542 would make available "hereafter" fees that will be collected pursuant to the United States-Colombia Trade Promotion Agreement Implementation Act of 2011 (P.L. 112-42) through a provision (section 601 of that Act) that eliminated country-exemptions for Mexico and Canada from customs user fees. The United States-Colombia Trade Promotion Agreement included language authorizing the collection of these fees and making their spending subject to appropriation ("shall be available only to the extent provided in appropriations Acts").

OMB's statutory PAYGO estimate included \$55 million in additional collections in FY 2012, \$114 million in FY 2013, and \$994 million from FYs 2012 through 2021 due to the elimination of the customs user fee exemptions. Because section 542 would make fees available for obligation that are already assumed in the baseline to be collected under current law, section 542 would result in unintended budget authority that would likely be more than \$100 million in FY 2013 and up to an additional \$1 billion between FYs 2014 and 2021. Deletion of section 542 would correctly reflect the policy in the President's FY 2013 Budget request.

Agency: DEPARTMENT OF HOMELAND SECURITY

Heading: General Provisions

FY 2013 Budget

Appendix Pages: 601

FY 2013

Pending Request: ---

Proposed Revision: Language

Revised Request: ---

(In the appropriations language under the above heading, delete the language in subparagraph (a) of the newly renumbered section 542 and substitute the following new language:)

Notwithstanding section 58c(e) of title 19, United States Code, upon the request of any persons, the Commissioner of U.S. Customs and Border Protection (CBP) may enter into reimbursable fee agreements for a period of up to 10 years with such persons for the provision of CBP services and any other costs incurred by CBP relating to such services. Such requests may include additional CBP services at existing CBP-serviced facilities, the provision of CBP services at new facilities and preclearance locations, and expanded CBP services at land border facilities.

(Add the following new language in subparagraphs (b) and (d) immediately after "pursuant to" and just before "this section" in both instances:)

#### any agreement entered into under

This amendment would identify for purposes of entering into reimbursable fee agreements the types of services that could be performed and the lengths of agreements that may be entered into by U.S. Customs and Border Protection, and would reflect correctly the policy assumed in the FY 2013 Budget.

Agency: DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Heading: General Provisions—Department of Housing and Urban

Development

FY 2013 Budget

Appendix Page: 667

FY 2013

Pending Request: ---

Proposed Amendment: Language

Revised Request: ---

(In the appropriations language under the above heading, insert the following new section:)

SEC. 236. EXCEPTION TO AFFORDABLE HOUSING QUALIFICATION FOR MULTIFAMILY HOUSING SECURING LOANS MADE BY CERTAIN ENTITIES. Section 542(b)(9) of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z-22(b)(9)) is amended by inserting after the period at the end the following: "This requirement does not apply to housing securing loans made to increase the availability of capital to small multifamily rental properties by entities approved by the Secretary as having demonstrated experience in making loans for low and moderate income multifamily housing.".

This amendment would insert proposed language that was inadvertently omitted from the FY 2013 Budget and would be consistent with the loan volume numbers reflected in the FY 2013 Budget. The requested language would provide more flexible authority for the use of Federal Housing Administration (FHA) risk sharing under Section 542(b) with Qualified Participating Entities, including State Housing Finance Agencies and Community Development Financial Institutions for small multifamily properties and would reflect correctly the policy assumed in the FY 2013 Budget. Furthermore, the authority requested in section 229 for Ginnie Mae securitization of Section 542(b) risk share loans for small multifamily properties would also be dependent on this requested FHA authority.

**PROGRAMS** 

Heading: Millennium Challenge Corporation

FY 2013 Budget

Appendix Page: 883

FY 2013

Pending Request: ---

Proposed Amendment: Language

Revised Request: ---

(In the appropriations language under the above heading, delete "2012" in the second proviso and substitute 2013.)

This amendment would correct the fiscal year of availability for purposes of carrying out section 616 of the Millennium Challenge Act of 2003, and would reflect correctly the policy assumed in the FY 2013 Budget.

**PROGRAMS** 

Bureau: INTERNATIONAL SECURITY ASSISTANCE

Heading: Economic Support Fund

FY 2013 Budget

Appendix Page: 884

FY 2013

Pending Request: ---

Proposed Amendment: Language

Revised Request: ---

(In the appropriations language under the above heading, add the following new language in the last proviso just after "heading" and immediately before "may":)

, or under the "Assistance for Europe, Eurasia and Central Asia" heading in prior year Acts,

This amendment would make available for contribution to the endowment of the Auschwitz-Birkenau Foundation two-year Assistance for Europe, Eurasia and Central Asia (AEECA) funds appropriated for this purpose in fiscal year 2012. This authority is legally required to make this contribution. The enacted fiscal year 2012 Department of State, Foreign Operations, and Related Programs Appropriations Act did not provide the requested AEECA authority, although the President's 2012 Budget request was fully funded and report language expressed support for all AEECA allocations. This request for prior-year AEECA contribution authority is in addition to the request to make FY 2013 Economic Support Fund available for the same purpose.

This request would reflect correctly the policy assumed in the FY 2013 Budget. The proposed FY 2013 Budget totals would not be affected by this technical language amendment.

**PROGRAMS** 

Bureau: INTERNATIONAL SECURITY ASSISTANCE

Heading: Peacekeeping Operations

FY 2013 Budget

Appendix Page: 888

FY 2013

Pending Request: ---

Proposed Amendment: Language

Revised Request: ---

(In the appropriations language under the above heading, add a new closing bracket immediately before the colon following the second proviso; add a new opening bracket immediately after "Somalia"; and, in the third proviso, delete "of the" and substitute <u>funds transferred to or</u>, and delete ", up to \$91,818,000" and substitute <u>in this or prior Acts.</u>)

This amendment would restore language that was inadvertently deleted from the Peacekeeping Operations language request. The language provides the Administration the flexibility to respond to events in Somalia and would reflect correctly the policy assumed in the FY 2013 Budget.

**PROGRAMS** 

Heading: GENERAL PROVISIONS

FY 2013 Budget

Appendix Page: 941-950

FY 2013

Pending Request: ---

Proposed Amendment: Language

Revised Request: ---

(In the appropriations language under the above heading, in section 7024 insert the following new subsection:)

(m) NEAR EAST REGIONAL DEMOCRACY. — Funds appropriated in this or prior appropriations Acts for assistance to fund fellowships and scholarships and exchanges for foreign academic professionals and foreign university students may be made available for such purposes for Near East countries notwithstanding any other provision of law.

This amendment would insert language that was included in the FY 2012 Budget request. It would allow funds to be used to support programs that strengthen democratic organizations and institutions in the Near East, reflecting correctly the policy assumed in the Budget.

(In the appropriations language under the above heading, remove the opening bracket immediately following the section number 7028(b)[(2)]; in the first proviso, insert a new opening bracket immediately after "to support programs in Burma" and just before the colon, insert opening and closing brackets around "shall", remove the closing bracket, and insert a new closing bracket just before the period.)

This amendment would relocate opening and closing brackets that were misplaced in the language to allow certain assistance to Burma, reflecting correctly the policy assumed in the FY 2013 Budget.

(In the appropriations language under the above heading, in section 7030(a)([2]I)(A), delete "by this Act" and add the following new language immediately after the period:)

Funds appropriated or otherwise made available for assistance for Afghanistan may be made available as a United States contribution to other multi-donor trust funds.

This amendment would provide the Department of State the flexibility to make contributions in the future to the Asian Development Bank's infrastructure trust fund and reflect correctly the policy assumed in the FY 2013 Budget.

Agency: CORPS OF ENGINEERS

Heading: General Provisions—Corps of Engineers—Civil

FY 2013 Budget

Appendix Page: 1174

FY 2013

Pending Request: ---

Proposed Amendment: Language

Revised Request: ---

(In the appropriations language under the above heading, in section 105, delete the opening and closing brackets and renumber the section as 104.)

This amendment would remove deletion brackets inadvertently included for this section. This provision would provide the Corps of Engineers the authority to take interim actions to control the spread of Asian Carp within the Mississippi River and Great Lake Basins, and would reflect correctly the policy assumed in the FY 2013 Budget.

(In the appropriations language under the above heading, in section 107, delete the opening and closing brackets, delete "\$3,800,000" and substitute \$4,300,000, renumber the section as 105, and renumber the subsequent section accordingly.)

This amendment would remove deletion brackets inadvertently included for this section and correctly identify mitigation activity costs. This provision would provide the Corps of Engineers the authority to reimburse the U.S. Fish and Wildlife Service up to \$4.3 million for mitigation activities for fisheries lost as a result of Corps of Engineers projects, and would reflect correctly the policy assumed in the FY 2013 Budget.

Agency: LEGISLATIVE BRANCH

Bureau: OFFICE OF COMPLIANCE

Heading: Administrative Provision

FY 2013 Budget

Appendix Page: 22

FY 2013

Pending Request: ---

Proposed Amendment: Language

Revised Request: ---

(In the appropriations language under the above bureau, insert the above new heading and the following new language just after the Bodoni dash and immediately before the heading "Congressional Budget Office":)

### SEC.1100. Section 2107 of title 5, United States Code, is amended —

- (1) by deleting "and" after paragraph (8);
- (2) by striking the period after paragraph (9) and inserting a semi-colon followed by "and"; and
- (3) by adding at the end the following new paragraph: "(10) an employee of the Office of Compliance.".

This amendment would insert an Administrative Provision for the Office of Compliance. The provision was not submitted in time for inclusion in the FY 2013 Budget. The increase to the proposed FY 2013 Budget totals as a result of this request would be negligible (significantly less than \$500,000).

Agency: LEGISLATIVE BRANCH

Bureau: ARCHITECT OF THE CAPITOL

Heading: Administrative Provisions

FY 2013 Budget

Appendix Page: 30

FY 2013

Pending Request: ---

Proposed Amendment: Language

Revised Request: ---

(In the appropriations language under the above heading in section 1202, delete the remaining section numbering and lettering.)

This amendment would delete the remaining portion of section 1202 that was inadvertently retained. The proposed FY 2013 Budget totals would not be affected by this technical language amendment.