

THE WHITE HOUSE
WASHINGTON

June 18, 2010

Dear Madam Speaker:

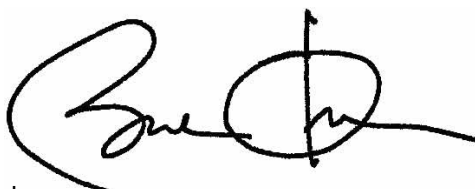
I ask the Congress to consider the enclosed Fiscal Year (FY) 2011 Budget amendments for the Departments of Agriculture, Commerce, Defense, Homeland Security, Housing and Urban Development, Labor, State and Other International Programs, Transportation, and the Treasury, as well as the Small Business Administration, District of Columbia, Institute of Museum and Library Services, Northern Border Regional Commission, and Southeast Crescent Regional Commission. These amendments would not increase the proposed totals in my FY 2011 Budget.

In addition, this transmittal contains FY 2011 amendments for the Legislative Branch. As a matter of comity between branches, these appropriations requests of the Legislative Branch are transmitted without change.

Moreover, provided for your consideration is a FY 2011 Budget amendment for the National Aeronautics and Space Administration (NASA). This request would fund an initiative to develop a plan to spur regional economic growth and job creation along the Florida Space Coast and other affected regions in furtherance of my Administration's bold new course for human space flight, which revitalizes NASA and transitions to new opportunities in the space industry and beyond.

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

Sincerely,

A handwritten signature in black ink, appearing to be "Barack Obama", written in a cursive style.

The Honorable Nancy Pelosi
Speaker of the House of Representatives
Washington, D.C. 20515

Enclosure



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

THE DIRECTOR

June 18, 2010

The President
The White House

Submitted for your consideration are requests for the Departments of Agriculture, Commerce, Defense, Homeland Security, Housing and Urban Development, Labor, State and Other International Programs, Transportation, and the Treasury, as well as the Small Business Administration, District of Columbia, Institute of Museum and Library Services, Northern Border Regional Commission, and Southeast Crescent Regional Commission. The proposed totals in your FY 2011 Budget would not be affected by these amendments. These requested technical amendments are in addition to those the Administration transmitted to the Congress on February 12, 2010 that would increase the Budget totals by \$155 million.

In addition, this transmittal contains FY 2011 amendments for the Legislative Branch. In total, the Legislative Branch requests would increase FY 2011 discretionary budget authority by \$10 million. As a matter of comity between branches, appropriations requests of the Legislative Branch are transmitted without change.

Moreover, provided for your consideration is a FY 2011 Budget amendment for the National Aeronautics and Space Administration (NASA). This request would fund an initiative to develop a plan to spur regional economic growth and job creation along the Florida Space Coast and other affected regions in furtherance of your Administration's bold new course for human space flight, which revitalizes NASA and transitions to new opportunities in the space industry and beyond.

Recommendation

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

Sincerely,

A handwritten signature in black ink, appearing to read "P. Orszag".

Peter R. Orszag
Director

Enclosures

Agency: DEPARTMENT OF AGRICULTURE
Bureau: ANIMAL AND PLANT HEALTH INSPECTION SERVICE
Heading: Salaries and Expenses
FY 2011 Budget Appendix Page: 86
FY 2011 Pending Request: \$870,576,000
Proposed Amendment: Language
Revised Request: \$870,576,000

(In the appropriations language under the above heading, delete "\$52,519,000" and substitute \$47,219,000.)

This amendment would allow the Department of Agriculture (USDA) to utilize a total of \$5.3 million from within existing resources requested for the Animal and Plant Health Inspection Service (APHIS), Salaries and Expenses account in order to improve compliance with the Animal Welfare Act (AWA), particularly for those regulations associated with dog dealers and breeders, and increase the effectiveness of USDA's Animal Welfare program.

The Office of Inspector General (OIG) recently completed an audit of APHIS' enforcement of AWA inspections of problematic dog dealers. Their conclusions recommended that APHIS shift compliance efforts from an education focus for problematic dog dealers to an enforcement focus, improve inspection performance, and seek legislation regarding the internet sale of dogs. To address the OIG's concerns, APHIS developed an action plan to improve the Agency's enforcement of dog dealers -- particularly those who are repeat violators. To execute the action plan, APHIS requires a total of \$5.3 million in FY 2011: \$3.6 million for the Animal Welfare program and an additional \$1.7 million for the Animal and Plant Health Regulatory Enforcement program. For efforts in FY 2010, the Department has utilized existing authority to reprogram \$4.0 million and has notified the Congress accordingly. The proposed amendment for FY 2011 would allow for expansion of these efforts.

The \$5.3 million proposed increase would be fully offset by a proposed corresponding decrease from funds requested within this account for the prevention and control of avian influenza. Based on knowledge acquired from conducting avian influenza surveillance in domestic and wild bird populations, specifically of how the virus spreads in animal populations and the actual risk it poses, USDA is now refocusing their surveillance efforts and making

--continued--

these funds available for other priority activities. The proposed reduction in the program will have little impact on activities related to domestic poultry production and live bird markets where USDA continues their surveillance efforts.

The proposed Budget totals would not be affected by this amendment.

Agency: DEPARTMENT OF COMMERCE
Bureau: U.S. PATENT AND TRADEMARK OFFICE
Heading: Salaries and Expenses
FY 2011 Budget
Appendix Pages: 226-227
FY 2011
Pending Request: \$2,321,724,000
Proposed Amendment: Language
Revised Request: \$2,321,724,000

(In the appropriations language under the above heading, add the following new language in the second proviso immediately after "fee collections" and just before "be less than":)

and the surcharge provided herein

(Add the following new language in the last proviso immediately after "shall be available" and just before "to the United States":)

within the amounts provided herein

This amendment would clarify that the pending appropriations request total of \$2,322 million for the Patent and Trademark Office (PTO) includes spending from a proposed 15 percent surcharge that is in addition to other fees collected by PTO. The proposed surcharge will be collected pursuant to authorities in 15 U.S.C. 1113 and 35 U.S.C. 41 and 376. In the absence of this amendment it could be construed that the pending language allows spending from the proposed 15 percent surcharge to be in addition to the requested appropriations total.

The proposed Budget totals would not be affected by this amendment.

Agency: DEPARTMENT OF DEFENSE -- MILITARY
Bureau: PROCUREMENT
Heading: Chemical Agents and Munitions Destruction, Defense
FY 2011 Budget
Appendix Page: 291
FY 2011
Pending Request: \$1,467,307,000
Proposed Amendment: Language
Revised Request: \$1,467,307,000

(In the appropriations language under the above heading, delete ", of which no less than \$7,132,000 shall be for the Chemical Stockpile Emergency Preparedness Program to assist State and local governments".)

This amendment would remove language that unnecessarily restricts procurement funding. This language was inadvertently retained from the FY 2010 enacted appropriations legislation and the amendment would reflect correctly the policy in the FY 2011 Budget.

The proposed Budget totals would not be affected by this amendment.

Agency: DEPARTMENT OF HOMELAND SECURITY
Bureau: FEDERAL LAW ENFORCEMENT TRAINING CENTER
Heading: Salaries and Expenses
FY 2011 Budget Appendix Pages: 528-529
FY 2011 Pending Request: \$239,919,000
Proposed Amendment: Language
Revised Request: \$239,919,000

(In the appropriations language under the above heading, in the first paragraph delete "\$239,919,000" and substitute \$238,500,000; and in the second paragraph delete "For the additional" and substitute For an additional and delete "further" immediately after "Provided".)

This amendment would reflect correctly the total appropriations request of \$239.9 million for the Federal Law Enforcement Training Center (FLETC), Salaries and Expenses (S&E) account. The intent in the FY 2011 Budget is to request two appropriations amounts within the S&E account that together would provide \$239.9 million: \$238.5 million for necessary expenses of FLETC (first paragraph of the language), and an additional \$1.4 million for Federal Law Enforcement Training Accreditation activities (second paragraph of the language). Instead, the entire S&E request of \$239.9 million was mistakenly provided in the first paragraph of the language, thereby overstating the total request by \$1.4 million. This amendment also includes two minor syntax corrections to the second paragraph.

Overall, this amendment seeks to make the legislative language consistent with the Budget totals. As such, those totals would not be affected by the transmittal of this amendment.

Agency: DEPARTMENT OF HOMELAND SECURITY
Bureau: FEDERAL EMERGENCY MANAGEMENT AGENCY
Heading: Flood Map Modernization Fund
FY 2011 Budget
Appendix Page: 564
FY 2011
Pending Request: \$194,000,000
Proposed Amendment: Language
Revised Request: \$194,000,000

(In the appropriations language under the above heading, delete ": Provided, That total administrative costs shall not exceed 3 percent of the total amount appropriated under this heading".)

This amendment would reflect correctly the policy in the FY 2011 Budget to provide this account with sufficient funding to support current staff levels and to prevent elimination of activities that would otherwise be necessary under the language in the pending request.

The proposed Budget totals would not be affected by this amendment.

Agency: DEPARTMENT OF HOMELAND SECURITY

Heading: General Provisions

FY 2011 Budget
Appendix Pages: 578-579

FY 2011
Pending Request: ---

Proposed Amendment: Language

Revised Request: ---

(In the appropriations language under the above heading, in section 540 delete ", subject to appropriation,")

This amendment would remove language that makes the spending of collections from the sale of Immigration and Customs Enforcement (ICE) Service Processing Centers, or other ICE-owned detention facilities, subject to appropriations. Removal of this language will result in authority to immediately spend the proceeds from the sale of existing ICE assets, net of the cost of sale incurred by the General Services Administration and ICE. The removal of the language making the spending "subject to appropriations" would align the timing of the collections with the authority to spend those collections, correctly reflecting the policy in the FY 2011 Budget.

The proposed Budget totals would not be affected by this amendment.

Agency: DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
Bureau: PUBLIC AND INDIAN HOUSING PROGRAMS
Heading: Choice Neighborhoods
FY 2011 Budget
Appendix Page: 588
FY 2011
Pending Request: \$313,000,000 (net)
Proposed Amendment: Language
Revised Request: \$313,000,000 (net)

(In the appropriations language under the above heading, in the last proviso delete "and merged with amounts made available under this heading" and substitute this account.)

This amendment would clarify that the balances of amounts made available for the Choice Neighborhoods initiative under the account would retain their original two-year period of availability, as well as the purpose for which the funding could be expended when originally appropriated to the HOPE VI account, reflecting correctly the policy in the FY 2011 Budget.

The proposed Budget totals would not be affected by this amendment.

Agency: DEPARTMENT OF LABOR
Bureau: EMPLOYMENT AND TRAINING ADMINISTRATION
Heading: Training and Employment Services
FY 2011 Budget
Appendix Page: 787
FY 2011
Pending Request: \$3,925,475,000
Proposed Amendment: Language
Revised Request: \$3,925,475,000

(In the appropriations language under the above heading, in paragraph (2)(C) delete "\$82,135,320" and substitute \$81,168,000; remove the opening and closing brackets around "\$5,700,000" and delete "\$4,368,900"; and remove the opening and closing brackets around "\$510,000"and delete "\$873,780".)

This amendment would lower the amount of funding in the Training and Employment Services account for the formula grants portion of the federally administered migrant and seasonal farmworker programs to reflect correctly the policy in the FY 2011 Budget.

The proposed Budget totals would not be affected by this amendment.

Agency: DEPARTMENT OF STATE AND OTHER INTERNATIONAL PROGRAMS

Heading: General Provisions

FY 2011 Budget
Appendix Page: 923

FY 2011
Pending Request: ---

Proposed Amendment: Language

Revised Request: ---

(In the appropriations language under the above heading, in section 7052(e)(2) add the following new language immediately after "shall be available" and just before "for fiscal year 2011":)

for funds appropriated

This amendment would modify the proposed language in the Budget in order to clarify that the transfer authority provided in this section would apply prospectively only to funds appropriated for FY 2011 and subsequent fiscal years; this would reflect correctly the policy assumed in the FY 2011 Budget. Without this amendment, the transfer authority could be interpreted as a request for a reappropriation of funds for prior fiscal years.

The proposed Budget totals would not be affected by this amendment.

Agency: DEPARTMENT OF TRANSPORTATION
Bureau FEDERAL MOTOR CARRIER SAFETY ADMINISTRATION
Heading: Motor Carrier Safety Grants (Limitation on Obligations)
FY 2011 Budget Appendix Page: 957
FY 2011 Pending Request: \$310,070,000 (Limitation)
Proposed Amendment: Language
Revised Request: \$310,070,000 (Limitation)

(In the appropriations language under the above heading, in the first proviso delete "; and \$1,000,000 shall be available for the commercial driver's license information system modernization program to carry out section 31309(e) of title 49, United States Code".)

This amendment would remove an unnecessary FY 2010 provision in the appropriations language to be consistent with the pending appropriations request for the Motor Carrier Safety Grants account and reflect correctly the policy in the FY 2011 Budget.

The proposed Budget totals would not be affected by this amendment.

Agency: DEPARTMENT OF THE TREASURY

Bureau: DEPARTMENTAL OFFICES

Heading: Salaries and Expenses

FY 2011 Budget
Appendix Page: 1005

FY 2011
Pending Request: \$346,401,000

Proposed Amendment: Language

Revised Request: \$346,401,000

(In the appropriations language under the above heading, add the following new language in the first proviso and immediately after "Development" and just before the comma insert ("OECD"); and immediately after "therein" and just before the colon insert , and to the Forum on Tax Administration of the OECD in which the Internal Revenue Service participates, to support the work of that forum to improve global tax administration:)

This amendment would add the Forum on Tax Administration (FTA), a commission affiliated with the Organization for Economic Cooperation and Development (OECD), to an existing set-aside for the OECD's Global Forum on Tax information sharing working group in the Department of the Treasury's Salaries and Expenses account. In late January 2010, the FTA decided to obtain annual contributions from its members to support its operations. The decision, however, was made too late for the required authority to be included in the President' Budget, transmitted to the Congress on February 1, 2010.

The voluntary contributions collected by the FTA in 2007-2009 were insufficient to meet the required costs (only half of the member countries made voluntary financial contributions or provided *secondes*). Going forward, FTA seeks a base of funds to maintain five dedicated FTA staff. As a result, it was decided that all members of the FTA should share in the expense of the FTA professional support in the form of an annual contribution from each of the 41 member countries. As Chair of the FTA, the IRS Commissioner would like to demonstrate leadership by making a 2011 financial contribution to the FTA. The amendment would provide authority for this contribution.

The proposed Budget totals would not be affected by this amendment.

Agency: NATIONAL AERONAUTICS AND SPACE
ADMINISTRATION

Heading: Exploration

FY 2011 Budget
Appendix Page: 1172

FY 2011
Pending Request: \$4,263,400,000

Proposed Amendment: Language

Revised Request: \$4,263,400,000

(In the appropriations language under the above heading, add the following new language immediately after "2012" and just before the colon preceding the proviso:)

. of which \$30,000,000 shall be transferred to "Economic Development Assistance Programs, Economic Development Administration", Department of Commerce, to spur regional economic growth in the area around the Kennedy Space Center; of which \$10,000,000 shall be transferred to "Training and Employment Services, Employment and Training Administration", Department of Labor, for job training activities in the area around the Kennedy Space Center; of which up to \$45,000,000 shall be transferred to "Economic Development Assistance Programs, Economic Development Administration", Department of Commerce, to spur regional economic growth in other areas affected by job losses associated with programmatic changes in this account; and of which up to \$15,000,000 shall be transferred to "Training and Employment Services, Employment and Training Administration", Department of Labor, for job training activities in other areas affected by job losses associated with programmatic changes in this account

This amendment would fund an initiative from within the funds requested for the National Aeronautics and Space Administration's Exploration account to develop a plan to spur regional economic growth and job creation along the Florida Space Coast and other affected regions in furtherance of the Administration's bold new course for human space flight, which revitalizes NASA and transitions to new opportunities in the space industry and beyond.

The proposed Budget totals would not be affected by this amendment.

Agency: SMALL BUSINESS ADMINISTRATION

Heading: Business Loans Program Account

FY 2011 Budget
Appendix Page: 1199

FY 2011
Pending Request: \$326,151,000

Proposed Amendment: Language

Revised Request: \$326,151,000

(In the appropriations language under the above heading, in the third proviso insert opening and closing brackets around "2010" and add 2011 immediately after the newly inserted closing bracket.)

This amendment would reference the correct fiscal year for 7(a) loan commitments and reflect accurately the policy in the FY 2011 Budget. The proposed Budget totals would not be affected by this amendment.

Agency: DISTRICT OF COLUMBIA

Heading: Federal Payment for the District of Columbia National Guard

FY 2011 Budget
Appendix Page: 1245

FY 2011
Pending Request: \$2,000,000

Proposed Amendment: Language

Revised Request: \$2,000,000

(In the appropriations language under the above heading, delete "for the "Major General David F. Wherley, Jr. District of Columbia National Guard Retention and College Access Program" ".)

This amendment would remove language that restricts the availability of funds to a specific program and instead provides \$2 million for general operations expenses for the District of Columbia National Guard. Language was inadvertently retained from the FY 2010 enacted appropriations legislation; the amendment would reflect correctly the policy in the FY 2011 Budget.

The proposed Budget totals would not be affected by this amendment.

Agency: INSTITUTE OF MUSEUM AND LIBRARY SERVICES

Heading: Office of Museum and Library Services: Grants and Administration

FY 2011 Budget
Appendix Page: 1301

FY 2011
Pending Request: \$265,556,000

Proposed Amendment: \$313,000

Revised Request: \$265,869,000

(In the appropriations language under the above heading, delete "\$265,556,000" and substitute \$265,869,000.)

This amendment would provide the correct requested amount and reflect accurately the policy in the FY 2011 Budget. The proposed Budget totals would not be affected by this amendment.

Agency: NORTHERN BORDER REGIONAL COMMISSION

Heading: Northern Border Regional Commission

FY 2011 Budget
Appendix page: 1306

FY 2011
Pending Request: \$1,500,000

Proposed Amendment: Language

Revised Request: \$1,500,000

(In the appropriations language under the above heading, add the following new language immediately before the concluding period:)

: Provided, That section 15751(b) of such title shall not apply to funds appropriated herein

This request would waive the 10 percent administrative fee cap for the Northern Border Regional Commission (NBRC). If the cap is not waived, NBRC will not have enough funding to pay the salary and benefits of NBRC's Federal Co-Chair or any of the Commission's other administrative expenses.

This amendment would insert appropriations language that was omitted inadvertently from the FY 2011 Budget to reflect correctly the policy assumed in the Budget. The proposed Budget totals would not be affected by this language amendment.

Agency: OTHER COMMISSIONS AND BOARDS

Heading: Southeast Crescent Regional Commission

FY 2011 Budget
Appendix page: 1313

FY 2011
Pending Request: \$250,000

Proposed Amendment: Language

Revised Request: \$250,000

(In the appropriations language under the above heading, add the following new language immediately before the concluding period:)

: Provided, That section 15751(b) of such title shall not apply to funds appropriated herein

This request would waive the 10 percent administrative fee cap for the Southeast Crescent Regional Commission (SCRC). If the cap is not waived, SCRC will not have enough funding to pay the salary and benefits of SCRC's Federal Co-Chair or any of the Commission's other administrative expenses.

This amendment would insert appropriations language that was omitted inadvertently from the FY 2011 Budget to reflect correctly the policy assumed in the Budget. The proposed Budget totals would not be affected by this language amendment.

Agency: LEGISLATIVE BRANCH
Bureau: SENATE
Heading: Contingent Expenses of the Senate – Senators' Official Personnel
and Office Expense Account
FY 2011 Budget
Appendix Page: 20
FY 2011
Pending Request: \$458,616,000
Proposed Amendment: \$201,000
Revised Request: \$458,817,000

(In the appropriations language under the above heading, delete "\$458,616,000" and substitute \$458,817,000.)

This amendment would reflect the correct appropriations request provided in the Committee Justification given to the Congress. The proposed Budget totals would not be affected by this amendment.

Agency: LEGISLATIVE BRANCH
Bureau: HOUSE OF REPRESENTATIVES
Heading: Salaries and Expenses – Salaries, Officers and Employees
FY 2011 Budget Appendix Page: 20
FY 2011 Pending Request: \$206,413,000
Proposed Amendment: Language
Revised Request: \$206,413,000

(In the appropriations language under the above heading, remove the opening and closing brackets around "\$2,600,000", delete "\$6,000,000", and place new opening and closing brackets around "of which, \$2,600,000 shall remain available until expended".)

This amendment would strike the no year funding for the Office of the Clerk. This would reflect the correct appropriations language provided in the Committee Justification given to the Congress. The proposed Budget totals would not be affected by this language amendment.

Agency: LEGISLATIVE BRANCH

Bureau: CAPITOL POLICE

Heading: Salaries

FY 2011 Budget
Appendix Page: 22

FY 2011
Pending Request: \$280,330,000

Proposed Amendment: \$9,452,000

Revised Request: \$289,782,000

(In the appropriations language under the above heading, delete "\$280,330,000" and substitute \$289,782,000; and delete "\$1,843,000" and substitute \$1,945,000.)

This amendment would reflect the revised appropriations request that will be provided in the revised Committee Justification for the Congress. This amendment would increase budget authority by \$10 million and increase outlays by \$9 million in FY 2011.

Agency: LEGISLATIVE BRANCH

Bureau: CAPITOL POLICE

Heading: General Expenses

FY 2011 Budget
Appendix Page: 22

FY 2011
Pending Request: \$95,694,220

Proposed Amendment: Language

Revised Request: \$95,694,220

(In the appropriations language under the above heading, insert of which \$15,956,000 shall remain available until September 30, 2012; and immediately following "\$95,694,220"; and delete "\$27,186,780" and substitute \$11,230,780.)

This amendment would provide two-year funding availability for the final phase of the multi-year Radio Modernization Initiative. This amendment would increase outlays by \$11 million in FY 2011.

Agency: LEGISLATIVE BRANCH
Bureau: OFFICE OF COMPLIANCE
Heading: Salaries and Expenses
FY 2011 Budget
Appendix Page: 23
FY 2011
Pending Request: \$4,858,057
Proposed Amendment: -\$182,566
Revised Request: \$4,675,491

(In the appropriations language under the above heading, delete "\$4,858,057" and substitute \$4,675,491; and delete the opening and closing brackets around "\$884,000" and delete "\$976,000".)

This amendment would reflect the correct appropriations request provided in the Committee Justification given to the Congress. The proposed Budget totals would not be affected by this amendment.