

OFFICE OF MANAGEMENT AND BUDGET**Budget Rescission and Defferals**

The White House

Washington

December 4, 1996.

Dear Mr. President: In accordance with the Congressional Budget and Impoundment Control Act of 1974, I herewith report seven new deferrals of budgetary resources, totaling \$3.5 billion.

These deferrals affect programs of the Department of State, the Social Security

Administration, and International Security Assistance.

Sincerely,

William J. Clinton.

The Honorable Albert Gore, Jr.,

President of the Senate, Washington, D.C. 20510.

The White House

Washington

December 4, 1996.

Dear Mr. Speaker: In accordance with the Congressional Budget and Impoundment Control Act of 1974, I herewith report seven

new deferrals of budgetary resources, totaling \$3.5 billion.

These deferrals affect programs of the Department of State, the Social Security Administration, and International Security Assistance.

Sincerely,

William J. Clinton.

The Honorable Newt Gingrich,

Speaker of the House of Representatives, Washington, D.C. 20515.

BILLING CODE 3100-01-P

CONTENTS OF SPECIAL MESSAGE
(in thousands of dollars)

Deferral No.	ITEM	Budgetary Resources
Funds Appropriated to the President		
International Security Assistance		
D97-1	Economic support fund and International Fund for Ireland.....	1,258,292
D97-2	Foreign military financing program.....	1,412,375
D97-3	Foreign military financing loan program.....	60,000
D97-4	Foreign military financing direct loan financing account.....	540,000
Agency for International Development		
D97-5	International disaster assistance, Executive.....	147,800
Department of State		
Other		
D97-6	United States emergency refugee and migration assistance fund.....	118,486
Social Security Administration		
D97-7	Limitation on administrative expenses.....	7,365
Total, deferrals.....		3,544,318

Deferral No. 97-1

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Section 1013 of P.L. 93-344

AGENCY: Funds Appropriated to the President	New budget authority..... \$ <u>2,362,600,000</u> (P.L. 104-208)
BUREAU: International Security Assistance	Other budgetary resources..... \$ <u>286,160,636</u>
Appropriation title and symbol: Economic support fund and International Fund for Ireland 1/ 726/71037 727/81037 72X1037	Total budgetary resources..... \$ <u>2,648,760,636</u>
OMB identification code: 72-1037-0-1-152	Amount to be deferred: Part of year..... \$ _____ Entire year..... \$ <u>1,258,292,400</u>
Grant program: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Legal authority (in addition to sec. 1013): <input checked="" type="checkbox"/> Antideficiency Act <input type="checkbox"/> Other _____
Type of account or fund: <input type="checkbox"/> Annual <input checked="" type="checkbox"/> Multi-year: September 30, 1997 September 30, 1998 (expiration date) <input checked="" type="checkbox"/> No-Year	Type of budget authority: <input checked="" type="checkbox"/> Appropriation <input type="checkbox"/> Contract authority <input type="checkbox"/> Other _____

Coverage:

<u>Appropriation</u>	<u>Account Symbol</u>	<u>OMB Identification Code</u>	<u>Deferred Amount Reported</u>
Economic support fund and International Fund for Ireland.....	726/71037	72-1037-0-1-152	\$ 30,851,000
	727/81037	72-1037-0-1-152	\$ 1,162,600,000
	72X1037	72-1037-0-1-152	\$ <u>64,841,400</u>
			\$ 1,258,292,400 *

Justification: The President is authorized by the Foreign Assistance Act of 1961, as amended, to furnish assistance to countries and organizations, on such terms and conditions as he may determine, in order to promote economic or political stability. Section 531(b) of the Act makes the Secretary of State, in cooperation with the Administrator of the Agency for International Development, responsible for policy decisions and justifications for economic support programs, including whether there will be an economic support program for a country and the amount of the program for each country. This deferral of funds for the Economic Support Fund has no effect on the availability of funds for the International Fund for Ireland.

These funds have been deferred pending the development of country-specific plans that assure that aid is provided in an efficient manner and are reserved for unanticipated program needs. This deferral action is taken under the provisions of the Antideficiency Act (31 U.S.C. 1512).

Estimated Program Effect: None.

Outlay Effect: None

1/ This account was the subject of a similar deferral in FY 1996 (D96-1A).

* Subsequent releases have reduced the amount deferred to \$1,258,092,388.

Deferral No. 97-2

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Section 1013 of P.L. 93-344

AGENCY: Funds Appropriated to the President	New budget authority..... \$ <u>3,224,000,000</u> (P.L. 104-208)
BUREAU: International Security Assistance	Other budgetary resources..... \$ ---
Appropriation title and symbol: Foreign military financing program 1/ 1171082	Total budgetary resources..... \$ <u>3,224,000,000</u>
	Amount to be deferred:
	Part of year..... \$ 1,412,375,000
	Entire year..... \$ ---
OMB identification code: 11-1082-0-1-152	Legal authority (in addition to sec. 1013):
Grant program: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Antideficiency Act <input type="checkbox"/> Other _____
Type of account or fund: <input checked="" type="checkbox"/> Annual <input type="checkbox"/> Multi-year: _____ (expiration date) <input type="checkbox"/> No-Year	Type of budget authority: <input checked="" type="checkbox"/> Appropriation <input type="checkbox"/> Contract authority <input type="checkbox"/> Other _____

Justification: The President is authorized by the Arms Export Control Act to sell or finance by credit, loan guarantees, or grants, articles and defense services to friendly countries to facilitate the common defense. Under section 2 of the Act, the Secretary of State, under the direction of the President, is responsible for sales made under this Act. Executive Order 11958 further requires the Secretary of State to obtain prior concurrence of the Secretaries of Defense and Treasury, respectively, regarding consistency of transactions with national security and financial policies.

These funds have been deferred pending the review of specific grants to eligible countries by the Departments of State, Treasury, and Defense. The review process will ensure that in each proposed program the proposed recipients are qualified and that the limits of available funds are not exceeded. This deferral action is taken under the provisions of the Antideficiency Act (31 U.S.C. 1512).

Estimated Program Effect: None.

Outlay Effect: None

1/ This account was the subject of a similar deferral in FY 1996 (D96-4A).

Deferral No. 97-3

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Section 1013 of P.L. 93-344

AGENCY: Funds Appropriated to the President	New budget authority..... \$ <u>60,000,000</u> (P.L. 104-208) Other budgetary resources..... \$ <u>---</u> Total budgetary resources..... \$ <u>60,000,000</u>
BUREAU: International Security Assistance	
Appropriation title and symbol: Foreign military financing loan program 1/ 1171085	Amount to be deferred: Part of year..... \$ 60,000,000 Entire year..... \$ <u>---</u>
OMB identification code: 11-1085-0-1-152	
Grant program: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Legal authority (in addition to sec. 1013): <input checked="" type="checkbox"/> Antideficiency Act <input type="checkbox"/> Other _____
Type of account or fund: <input checked="" type="checkbox"/> Annual <input type="checkbox"/> Multi-year: _____ (expiration date) <input type="checkbox"/> No-Year	
	Type of budget authority: <input checked="" type="checkbox"/> Appropriation <input type="checkbox"/> Contract authority <input type="checkbox"/> Other _____

Justification: The President is authorized by the Arms Export Control Act to sell or finance by credit, loan guarantees, or grants, articles and defense services to friendly countries to facilitate the common defense. Under section 2 of the Act, the Secretary of State, under the direction of the President, is responsible for sales made under this Act. Executive Order 11958 further requires the Secretary of State to obtain prior concurrence of the Secretaries of Defense and Treasury, respectively, regarding consistency of transactions with national security and financial policies.

As required by the Federal Credit Reform Act of 1990, this account records the subsidy costs associated with the direct loans obligated and loan guarantees for foreign military financing committed in FY 1992 and beyond. The foreign military financing credit program provides loans that finance sales of defense articles, defense services, and design and construction services to foreign countries and international organizations. The subsidy amounts are estimated on a present value basis.

These funds have been deferred pending the review of specific grants to eligible countries by the Departments of State, Treasury, and Defense. The review process will ensure that in each proposed program the proposed recipients are qualified and that the limits of available funds are not exceeded. This deferral action is taken under the provisions of the Antideficiency Act (31 U.S.C. 1512).

Estimated Program Effect: None.

Outlay Effect: None

1/ This account was the subject of a similar deferral in FY 1996 (D96-5).

Deferral No. 97-4

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Section 1013 of P.L. 93-344

AGENCY: Funds Appropriated to the President	New budget authority..... \$ <u>540,000,000</u> (P.L. 104-208)
BUREAU: International Security Assistance	Other budgetary resources..... \$ <u>---</u>
Appropriation title and symbol: Foreign military financing direct loan financing account 11X4122	Total budgetary resources..... \$ <u>540,000,000</u>
	Amount to be deferred:
	Part of year..... \$ 540,000,000
	Entire year..... \$ <u>---</u>
OMB identification code: 11-4122-0-3-152	Legal authority (in addition to sec. 1013):
Grant program: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input checked="" type="checkbox"/> Antideficiency Act
	<input type="checkbox"/> Other _____
Type of account or fund: <input type="checkbox"/> Annual <input type="checkbox"/> Multi-year: _____ (expiration date) <input checked="" type="checkbox"/> No-Year	Type of budget authority: <input checked="" type="checkbox"/> Appropriation <input type="checkbox"/> Contract authority <input type="checkbox"/> Other _____

Justification: The President is authorized by the Arms Export Control Act to sell or finance by credit, loan guarantees, or grants, articles and defense services to friendly countries to facilitate the common defense. Under section 2 of the Act, the Secretary of State, under the direction of the President, is responsible for sales made under this Act. Executive Order 11958 further requires the Secretary of State to obtain prior concurrence of the Secretaries of Defense and Treasury, respectively, regarding consistency of transactions with national security and financial policies.

As required by the Federal Credit Reform Act of 1990, this account records the financing costs associated with the direct loans obligated and loan guarantees for foreign military financing committed in FY 1992 and beyond. The foreign military financing credit program provides loans that finance sales of defense articles, defense services, and design and construction services to foreign countries and international organizations. The subsidy amounts are estimated on a present value basis.

These funds have been deferred pending the review of specific grants to eligible countries by the Departments of State, Treasury, and Defense. The review process will ensure that in each proposed program the proposed recipients are qualified and that the limits of available funds are not exceeded. This deferral action is taken under the provisions of the Antideficiency Act (31 U.S.C. 1512).

Estimated Program Effect: None.

Outlay Effect: None

Deferral No. 97-6

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Section 1013 of P.L. 93-344

AGENCY: Department of State	New budget authority..... \$ <u>50,000,000</u> (P.L. 104-208)
BUREAU: Other	Other budgetary resources..... \$ <u>68,931,456</u>
Appropriation title and symbol: United States emergency refugee and migration assistance fund 1/ 11X0040	Total budgetary resources..... \$ <u>118,931,456</u>
OMB identification code: 11-0040-0-1-151	Amount to be deferred:
Grant program: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Part of year..... \$ _____
Type of account or fund: <input type="checkbox"/> Annual <input type="checkbox"/> Multi-year: _____ (expiration date) <input checked="" type="checkbox"/> No-Year	Entire year..... \$ <u>118,485,726</u>
	Legal authority (in addition to sec. 1013):
	<input checked="" type="checkbox"/> Antideficiency Act
	<input type="checkbox"/> Other _____
	Type of budget authority:
	<input checked="" type="checkbox"/> Appropriation
	<input type="checkbox"/> Contract authority
	<input type="checkbox"/> Other _____

Justification: Section 501(a) of the Foreign Relations Authorization Act of 1976 (Public Law 94-141) and section 414(b)(1) of the Refugee Act of 1980 (Public Law 96-212) amended section 2(c) of the Migration and Refugee Assistance Act of 1962 (22 U.S.C. 2601) by authorizing a fund to enable the President to provide emergency assistance for unexpected urgent refugee and migration needs.

Executive Order No. 11922 of June 16, 1976, allocated all funds appropriated to the President for the Emergency Fund to the Secretary of State, but reserved for the President the determination of assistance to be furnished and the designation of refugees to be assisted by the Fund.

These funds have been deferred pending Presidential decisions required by Executive Order No. 11922. Funds will be released as the President determines assistance to be furnished and designates refugees to be assisted by the Fund. This deferral action is taken under the provisions of the Antideficiency Act (31 U.S.C. 1512).

Estimated Program Effect: None.

Outlay Effect: None

1/ This account was the subject of a similar deferral in FY 1996 (D96-3A).

Deferral No. 97-7

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Section 1013 of P.L. 93-344

AGENCY: Social Security Administration	New budget authority..... \$ <u>234,895,000</u> (P.L. 104-208) Other budgetary resources..... \$ <u>54,414,828</u> Total budgetary resources..... \$ <u>289,309,828</u>
BUREAU:	
Appropriation title and symbol: Limitation on Administrative expenses 1/ 28X8704	
OMB identification code: 20-8007-0-7-651	Legal authority (in addition to sec. 1013): <input checked="" type="checkbox"/> Antideficiency Act <input type="checkbox"/> Other _____
Grant program: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Type of account or fund: <input type="checkbox"/> Annual <input type="checkbox"/> Multi-year: _____ (expiration date) <input checked="" type="checkbox"/> No-Year	Type of budget authority: <input checked="" type="checkbox"/> Appropriation <input type="checkbox"/> Contract authority <input type="checkbox"/> Other _____

Justification: This account includes funding for construction and/or renovation of Social Security trust fund-owned headquarters and field office buildings. In addition, funds remain available for costs associated with acquisition of land in Colonial Park Estates adjacent to the Social Security Administration complex in Baltimore, Maryland. The Social Security Administration has received an approved FY 1997 apportionment for \$50,000 to cover potential upward adjustments of prior-year costs related to field office roof repair and replacement projects. Deferred funds may be made available for two purposes: (1) purchase of 9.8 acres of privately-owned land consisting of 14 scattered lots within the Social Security Administration complex that the Federal Government made a commitment to the original owners to purchase and to pay relocation costs contingent upon the owner's desire to sell at some future date; and (2) construction, renovation, and expansion projects when a need for such projects is identified and determined to be necessary for the efficient operation of the Social Security Administration. This action is taken pursuant to the Antideficiency Act (31 U.S.C. 1512).

Estimated Program Effect: None.

Outlay Effect: None

1/ This account was the subject of a similar deferral in FY 1996 (D96-2A).