

OFFICE OF MANAGEMENT AND BUDGET

Cancellation Pursuant to Line Item Veto Act; Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1998, and Department of Transportation and Related Agencies Appropriations Act, 1998

November 1, 1997.

Two Special Messages from the President under the Line Item Veto Act are published below. The President signed these messages on November 1, 1997. Under the Act, the messages are required to be printed in the **Federal Register** (2 U.S.C. 691a(c)(2)).

Clarence C. Crawford,

Associate Director for Administration.

TO THE CONGRESS OF THE UNITED STATES:

In accordance with the Line Item Veto Act, I hereby cancel the dollar amounts of discretionary budget authority, as specified in the attached reports, contained in the "Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1998" (Public Law 105-65; H.R. 2158). I have determined that the cancellation of these amounts will reduce the Federal budget deficit, will not impair any essential Government functions, and will not harm the national interest.

William J. Clinton

THE WHITE HOUSE,
November 1, 1997.

Cancellation No. 97-65

CANCELLATION OF DOLLAR AMOUNT OF DISCRETIONARY BUDGET AUTHORITY

Report Pursuant to the Line Item Veto Act, P.L. 104-130

Bill Citation: "Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1998" (H.R. 2158).

1(A). Dollar Amount of Discretionary Budget Authority: \$900 thousand for planning a new national cemetery in Oklahoma City, Oklahoma on page 90 of House Report 105-297, dated October 6, 1997.

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 Cancellations; Facts, Circumstances, and Considerations Relating to or Bearing Upon the Cancellations; and Estimated

Effect of Cancellation of Objects, Purposes, and Programs: This item would provide funding for the design of a new Department of Veterans Affairs (VA) national cemetery at Fort Sill, Oklahoma. The Department just opened one new cemetery and will open four more in the next two years—unprecedented since the Civil War. Activation of these cemeteries is a top priority. As a result of this recent expansion, the FY 1998 President's Budget and VA's Strategic Plan call for no new construction of national cemeteries over the next five years. This will give VA time to assess the adequacy of these new presences and to determine what, if any, further construction is warranted. Should future construction be needed, several other sites would be higher priority than Fort Sill in terms of veterans served. The estimated cost for the first phase of constructing this cemetery is \$9.1 million, but \$1.0 million a year would be needed for increased operating costs in the system.

1(D). Estimated Fiscal, Economic, and Budgetary Effect of Cancellation: As a result of the cancellation, Federal outlays will not increase, 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.

Outlay changes

[In thousands of dollars]

Fiscal Year:	
1998	-39
1999	-242
2000	-292
2001	-216
2002	-82
Total	-871

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

Budget authority: - \$900 thousand in FY 1998.

Outlays: The estimated outlay effect for each year is 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: Department of Veterans Affairs

2(A). Bureau: National Cemetery System

2(A). Governmental Function/Project (Account): Veterans Cemetery System (Construction, Major Projects).

2(B). States and Congressional Districts Affected: Oklahoma, 4th Congressional District.

2(C). Total Number of Cancellations (inclusive) in Current Session in each State and District identified above: Oklahoma: one; 4th District: one.

Cancellation No. 97-66

CANCELLATION OF DOLLAR AMOUNT OF DISCRETIONARY BUDGET AUTHORITY

Report Pursuant to the Line Item Veto Act, P.L. 104-130

Bill Citation: "Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1998" (H.R. 2158).

1(A). Dollar Amount of Discretionary Budget Authority: \$15 thousand for an Economic Development Initiative project "Arab Police Department," on page 96 of House Report 105-297, dated October 6, 1997.

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: This project would develop a multidepartmental police training complex on city property in Arab, Alabama. This project is being canceled because: (1) funding for facilities used in the general conduct of government is not an eligible use of Community Development Block grant funding; and (2) routine police training is considered to be part of the general conduct of government.

1(D). Estimated Fiscal, Economic, and Budgetary Effect of Cancellation: As a result of the cancellation, Federal outlays will not increase, 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.

Outlay Changes

[In thousands of dollars]

Fiscal Year:	
1998	-5
1999	-7
2000	-2
2001	-1
2002	-1
Total	-15

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

Budget authority: \$15 thousand in FY 1998.

Outlays: The estimated outlay effect for each year is 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: Department of Housing and Urban Development.

2(A). Bureau: Community Planning and Development.

2(A). Governmental Function/Project

(Account): Economic Development Initiative (Community Development Block Grants).

2(B). States and Congressional

Districts Affected: Alabama, 4th Congressional District.

2(C). Total Number of Cancellations (inclusive) in Current Session in each State and District identified above:

Alabama: one; 4th District: one.

Cancellation No. 97-67

CANCELLATION OF DOLLAR AMOUNT OF DISCRETIONARY BUDGET AUTHORITY

Report Pursuant to the Line Item Veto Act, P.L. 104-130

Bill Citation: "Department of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1998" (H.R. 2158).

1(A). Dollar Amount of Discretionary Budget Authority: \$1,000 thousand for Carter County Chamber of Commerce for trade and development activities on page 99 of the House Report 105-297, dated October 6, 1997.

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:

These funds would be used to provide a grant to the Carter County Chamber of Commerce to search for ways to enhance their economic standing. Carter County plans to increase revenue for the County by examining possible trade and development activities in the region. The project is being canceled because: (1) it was not requested by the President; and (2) promotional and business outreach activities are not eligible uses of Community Development Block Grants.

1(D). Estimated Fiscal, Economic, and Budgetary Effect of Cancellation: As a result of the cancellation, Federal

outlays will not increase, 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.

Outlay changes

[In thousands of dollars]

Fiscal Year:	
1998	-20
1999	-340
2000	-460
2001	-130
2002	-40
Total	-990

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

Budget authority: - \$1,000 thousand in FY 1998.

Outlays: The estimated outlay effect for each year is 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: Department of Housing and Urban Development

2(A). Bureau: Community Planning and Development

2(A). Governmental Function/Project

(Account): Economic Development Initiative (Community Development Block Grants).

2(B). States and Congressional

Districts Affected: Montana, At large.

2(C). Total Number of Cancellations (inclusive) in Current Session in each State and District identified above:

Montana: three.

Cancellation No. 97-68

CANCELLATION OF DOLLAR AMOUNT OF DISCRETIONARY BUDGET AUTHORITY

Report Pursuant to the Line Item Veto Act, P.L. 104-130

Bill Citation: "Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1998" (H.R. 2158).

1(A). Dollar Amount of Discretionary Budget Authority: \$600 thousand for a Solar Aquatic Wastewater Treatment Demonstration Project on page 117 of House Report 105-297, dated October 6, 1997.

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: Solar Aquatic Wastewater Treatment is a demonstration project of an alternative wastewater treatment approach. The Congress has earmarked a total of \$7.2 million from FY 1992 to FY 1997 to fund this project. In Senate Report 104-318 dated July 11, 1996, the Senate Committee on Appropriations notes that the "solar aquatic wastewater treatment demonstration projects have received funding for several years". The Report further directs EPA to report on (1) what has been achieved, (2) the viability of applying this technology widely, (3) an assessment of the costs and benefits, and (4) the amount of future Federal funding required. EPA's report, which was sent to the Congress on April 30, 1997, concludes that the project "has not yet demonstrated reliable attainment of all of its process goals". The project "does not appear to offer any economic advantages over conventional technologies, and appears to be clearly more costly than conventional processes at flow rates more than 100,000 gallons per day. In view of these conclusions, the continuation of Federal funding support for these demonstration projects is not warranted."

This project is being canceled because it: (1) was not requested in the President's FY 1998 Budget; (2) is earmarked for a specific project, thereby avoiding prioritization against other environmental research needs or be competitively awarded; and (3) has been evaluated by EPA, at the request of Congress, and found to not warrant additional funding.

1(D). Estimated Fiscal, Economic, and Budgetary Effect of Cancellation: As a result of the cancellation, Federal outlays will not increase, 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.

Outlay changes

[In thousands of dollars]

Fiscal Year:	
1998	-168
1999	-312
2000	-96
2001	-18
2002	-6
Total	-600

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

Budget authority: - \$600 thousand in FY 1998.

Outlays: The estimated outlay effect for each year is 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: Environmental Protection Agency.

2(A). Bureau: N/A.

2(A). Governmental Function/Project (Account): Wastewater Treatment Demonstration (Environmental Programs and Management).

2(B). States and Congressional

Districts Affected: Vermont, At large.

2(C). Total Number of Cancellations (inclusive) in Current Session in each State and District identified above: Vermont: one.

Cancellation No. 97-69

CANCELLATION OF DOLLAR AMOUNT OF DISCRETIONARY BUDGET AUTHORITY

Report Pursuant to the Line Item Veto Act, P.L. 104-130

Bill Citation: "Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1998" (H.R. 2158).

1(A). Dollar Amount of Discretionary Budget Authority: \$1,000 thousand for the Alabama Water and Wastewater Institute on page 117 of House Report 105-297, dated October 6, 1997.

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: The Alabama Water and Wastewater Institute is a collective of personnel from 13 or 14 wastewater treatment plants in Alabama. In FY 1997, they received an earmark of \$200,000 to conduct on-site operator training over a three year period. The \$1 million earmark for FY 1998 is to be given to the Alabama Department of Environmental Management to build a central facility for the Institute in Montgomery, Alabama in which to conduct both wastewater and drinking water operator training. This project is being canceled because: (1) it was not requested in the President's FY 1998 Budget; (2) it is earmarked for a specific activity, thereby avoiding prioritization against other environmental needs; (3) it is

earmarked to a specific group, avoiding competitive evaluation; and (4) construction of non-Federal buildings is outside the scope of EPA's mission and an extraordinary use of the Agency's authority.

1(D). Estimated Fiscal, Economic, and Budgetary Effect of Cancellation: As a result of the cancellation, Federal outlays will not increase, 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.

Outlay changes

[In thousands of dollars]

Fiscal Year:	
1998	-280
1999	-520
2000	-160
2001	-30
2002	-10
Total	-1,000

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

Budget authority: -\$1,000 thousand in FY 1998.

Outlays: The estimated outlay effect for each year is 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: Environmental Protection Agency.

2(A). Bureau: N/A.

2(A). Governmental Function/Project (Account): Construction of Training Facility (Environmental Programs and Management).

2(B). States and Congressional

Districts Affected: Alabama, 2nd and 7th Congressional Districts.

2(C). Total Number of Cancellations (inclusive) in Current Session in each State and District identified above:

Alabama: two; 2nd District: one; 7th District: one.

Cancellation No. 97-70

CANCELLATION OF DOLLAR AMOUNT OF DISCRETIONARY BUDGET AUTHORITY

Report Pursuant to the Line Item Veto Act, P.L. 104-130

Bill Citation: "Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1998" (H.R. 2158).

1(A). Dollar Amount of Discretionary

Budget Authority: \$500 thousand for McConnellsburg, Pennsylvania

Wastewater and Drinking Water System Needs on page 124 of House Report 105-297, dated October 6, 1997.

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: This project would provide \$500,000 to fund new water and sewer lines to a new industrial park in Ayr Township. As a by-product of constructing the water and sewer lines for the industrial park, it would also provide the potential for a limited number of residences with existing working wells and septic systems to be hooked up to the central water and sewer systems. The project is being canceled because: (1) it was not requested in the FY 1998 President's Budget; (2) it primarily provides benefits to a private entity; (3) the water line funding is outside the scope of EPA's usual mission; (4) the sewer line funding is outside the normal process for allocating funds to States who determine the environmental priority of projects, and (5) it is a low priority use of environmental funds primarily intended to help municipalities pay for Clean Water and Safe Drinking Water Act requirements.

1(D). Estimated Fiscal, Economic, and Budgetary Effect of Cancellation: As a result of the cancellation, Federal outlays will not increase, 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.

Outlay changes

[In thousands of dollars]

Fiscal Year:	
1998	- 20
1999	- 100
2000	- 150
2001	- 100
2002	- 50
Total	- 420

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

Budget authority: \$500 thousand in FY 1998.

Outlays: The estimated outlay effect for each year is 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: Environmental Protection Agency.

2(A). Bureau: N/A.

2(A). Governmental Function/Project (Account): Wastewater and Drinking Water Infrastructure (State and Tribal Assistance Grants).

2(B). States and Congressional Districts Affected: Pennsylvania, 9th Congressional District.

2(C). Total Number of Cancellations (inclusive) in Current Session in each State and District identified above: Pennsylvania: five; 9th District: one.

Cancellation No. 97-71

CANCELLATION OF DOLLAR AMOUNT OF DISCRETIONARY BUDGET AUTHORITY

Report Pursuant to the Line Item Veto Act, P.L. 104-130

Bill Citation: "Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1998" (H.R. 2158).

1(A). Dollar Amount of Discretionary Budget Authority: \$10,000 thousand for optical astronomy testbeds on page 131 of House Report 105-297, dated October 6, 1997.

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: This line item includes two optical telescope projects, neither of which is appropriate for NASA to fund. Both projects are augmentations of ground-based, optical telescopes—one in Arizona, and one in Chile. The Arizona project, at the Steward Observatory at the University of Arizona, Tucson, duplicates of an ongoing project at the Keck Observatory in Mauna Kea, Hawaii—a project in which NASA shares funding. While the Arizona experiment could enable a space-based, NASA facility in the future, similar to that being pursued at Keck, the Keck project, due to its configuration, would produce technical results superior to those of the Arizona project. Given that NASA is already investing in a superior capability in the Keck II facility, NASA should not fund the Arizona project.

The Chile project is not within NASA's mission, since the project has no implications for space-based

astronomy—the only type of astronomy within NASA's mission. NASA engages in ground-based astronomy only if such activities enable future, space-based missions.

1(D). Estimated Fiscal, Economic, and Budgetary Effect of Cancellation: As a result of the cancellation, Federal outlays will not increase, 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.

Outlay changes

[In thousands of dollars]

Fiscal Year:		
1998	— 3,600	
1999	— 5,500	
2000	— 900	
2001		
2002		
Total	— 10,000	

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

Budget authority: — \$10,000 thousand.

Outlays: The estimated outlay effect for each year is 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: National Aeronautics and Space Administration.

2(A). Bureau: N/A

2(A). Governmental Function/Project (Account): Science (Science, Aeronautics and Technology).

2(B). States and Congressional Districts Affected: Arizona, 5th Congressional District.

2(C). Total Number of Cancellations (inclusive) in Current Session in each State and District Identified Above: Arizona: two; 5th District: two.

TO THE CONGRESS OF THE UNITED STATES:

In accordance with the Line Item Veto Act, I hereby cancel the dollar amounts of discretionary budget authority, as specified in the attached reports, contained in the "Department of Transportation and Related Agencies Appropriations Act, 1998" (Public Law 105-66; H.R. 2169). I have determined that the cancellation of these amounts will reduce the Federal budget deficit, will not impair any essential Government functions, and will not harm the national interest.

William J. Clinton

THE WHITE HOUSE,
November 1, 1997.

Cancellation No. 97-72

CANCELLATION OF DOLLAR AMOUNT OF DISCRETIONARY BUDGET AUTHORITY

Report Pursuant to the Line Item Veto Act, P.L. 104-130

Bill Citation: "Department of Transportation and Related Agencies Appropriations Act, 1998" (H.R. 2169).

1(A). Dollar Amount of Discretionary Budget Authority: \$5,280 thousand for improvements to Seward dock on page 72 of House Report 105-313, dated October 7, 1997.

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: Senate Report 105-55 provided \$7,000,000 funding to "be utilized to expand and improve the Seward Dock, the southernmost terminus of the [Alaska] railroad and an important intermodal transfer point on the Alaska Marine Highway System. The State of Alaska, the city of Seward, the Alaska Railroad, and cruise ship lines that utilize the port will provide significant cost-share funding toward completion of the project this fiscal year."

The Conference Report, House Report 105-313 "reduced the amount for improvements to the Seward dock from \$7,000,000 in the Senate bill to \$5,280,000. Such reduction will result in increased local participation in the project, particularly by the city of Seward. Therefore, the conferees direct the department to provide funding for the dock improvements directly to the city to complete the intermodal improvements on behalf of the Alaska Railroad."

The Alaska Railroad, a state owned railroad, owns the Seward dock and certain surrounding port facilities. The dock was built by the Federal government following the 1964 Alaska earthquake and was designed to handle conventional and containerized cargo, logs, petroleum, and steel and serves as a cruise ship terminal.

The funding would rehabilitate the current dock, dredge, relocate a fishery dock, pave adjacent areas, build a new bulkhead on the current dock, and improve facilities for passenger movement off the docks. The enhanced dock would be able to handle additional freight and passenger ship capacity. The

total project cost is over \$8 million. The balance of the project costs not covered by this appropriation would be financed by the City and the Alaska Railroad.

The project is being canceled for the following reasons:

1. The Federal Railroad Administration is charged with overseeing the safety of the Nation's railroads. This project is primarily an economic development project which, while involving a railroad, will primarily benefit to the City of Seward, the State of Alaska and private cargo haulers and passenger ships. Funding of such mixed-use projects would set an unfortunate precedent for spending Federal Railroad Administration funding.

2. The Senate and Conference reports do not cite any independent investment analysis concerning the potential return of the project. No analysis has been done to quantify the safety or economic benefits of this project.

1(D). Estimated Fiscal, Economic, and Budgetary Effect of Cancellation: As a result of the cancellation, Federal outlays will not increase, 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.

Outlay changes

(In thousands of dollars)

Fiscal Year:	
1998	- 2,112
1999	- 3,168
2000	
2001	
2002	
Total	- 5,280

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

Budget authority: - \$5,280 thousand in FY 1998.

Outlays: The estimated outlay effect for each year is 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: Department of Transportation.

2(A). Bureau: Federal Railroad Administration.

2(A). Governmental Function/Project (Account): Seward Dock (Alaska Railroad Rehabilitation).

2(B). States and Congressional

Districts Affected: Alaska, At Large.

2(C). Total Number of Cancellations (inclusive) in Current Session in each

State and District identified above:

Alaska: two.

Cancellation No. 97-73

CANCELLATION OF DOLLAR AMOUNT OF DISCRETIONARY BUDGET AUTHORITY

Report Pursuant to the Line Item Veto Act, P.L. 104-130

Bill Citation: "Department of Transportation and Related Agencies Appropriations Act, 1998" (H.R. 2169).

1(A). Dollar Amount of Discretionary Budget Authority: \$500 thousand for an Electronic Distribution Center for Surplus Transit-Related Equipment on page 75 of House Report 105-313, dated October 7, 1997.

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: This item provides funds to private companies for start up costs associated with an electronic "bulletin board" service for surplus transit equipment. The companies involved have indicated that they have a proprietary package that could be used for transit, and would sell subscriptions to fund ongoing operating costs. The merits of this proposal and need for this service have not been demonstrated. It is inappropriate to use federal funds to assist private companies that are not serving a demonstrated, well-defined public need.

1(D). Estimated Fiscal, Economic, and Budgetary Effect of Cancellation: As a result of the cancellation, Federal outlays will not increase, 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.

Outlay changes

(In thousands of dollars)

Fiscal Year	
1998	- 100
1999	- 150
2000	- 100
2001	- 100
2002	- 50
Total	- 500

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

Budget authority: - \$500 thousand in FY 1998.

Outlays: The estimated outlay effect for each year is 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: Department of Transportation.

2(A). Bureau: Federal Transit Administration.

2(A). Governmental Function/Project (Account): Transit Research and Development (Transit Planning and Research).

2(B). States and Congressional

Districts Affected: Georgia, 3rd Congressional District.

2(C). Total Number of Cancellations (inclusive) in Current Session in each State and District identified above:

Georgia: two; 3rd District: one.

Cancellation No. 97-74

CANCELLATION OF DOLLAR AMOUNT OF DISCRETIONARY BUDGET AUTHORITY

Report Pursuant to the Line Item Veto Act, P.L. 104-130

Bill Citation: "Department of Transportation and Related Agencies Appropriations Act, 1998" (H.R. 2169).

1(A). Dollar Amount of Discretionary Budget Authority: \$450 thousand for a transportation emergency preparedness and response demonstration project and evaluation on page 84 of House Report 105-313, dated October 7, 1997.

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: The majority of the earmarked funds (\$400 thousand) would be used to assist in the establishment of an underground emergency transportation management center utilizing satellite communications. The center (to be located in Arab, Alabama) would be used by local, State and Federal emergency management agencies to coordinate assistance during emergency situations and as a disaster field office to coordinate long-term recovery programs. The remaining funds (\$50 thousand) would be used: (1) to evaluate and report on the demonstration project in order to share information with other communities to help them to improve their emergency preparedness and

response capabilities; and (2) to support administrative expenses incurred by the Department in carrying out the demonstration project. This project is being canceled for several reasons. The first is that the project is outside the scope of the Department's mission. Second, even if the funds were earmarked in a more appropriate agency, the project would not merit funding. Alabama already has an Emergency Operations Center (EOC) that serves the entire State. This EOC was built just five years ago, with half of the cost funded by the Federal Government. An additional emergency response center in Arab or elsewhere in the State would be duplicative and unnecessary. Third, a disaster field office is typically established at a central point within the disaster area. A disaster field office at a fixed location such as Arab may not always provide a desirable point from which to carry out long-term recovery efforts.

1(D). Estimated Fiscal, Economic, and Budgetary Effect of Cancellation: As a result of the cancellation, Federal outlays will not increase, 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.

Outlay changes

[In thousands of dollars]

Fiscal Year:		
1998		- 306
1999		- 144
2000		
2001		
2002		
Total		- 450

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

Budget authority: - \$450 thousand in FY 1998.

Outlays: The estimated outlay effect for each year is 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: Department of Transportation.

2(A). Bureau: Research and Special Programs Administration.

2(A). Governmental Function/Project (Account): Emergency Preparedness and Response (Research and Special Programs).

2(B). States and Congressional Districts Affected: Alabama, 4th Congressional District.

2(C). Total Number of Cancellations (inclusive) in Current Session in each State and District identified above: Alabama: three; 4th District: two.

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