

George W. Bush Presidential Library

Collection: Executive Clerk, Office of the

Series: Saunders, G. Timothy (Tim) – Bill Files

Folder Title: 11/26/2001 [H.R. 2620]

Withdrawn/Redacted Material

The George W. Bush Library

DOCUMENT NO.	FORM	SUBJECT/TITLE	PAGES	DATE	RESTRICTION(S)
T001	Statement	[Re: H. R. 2620] [page 2]	1	11/26/2001	Transferred

COLLECTION TITLE:

Executive Clerk, Office Of the

SERIES:

Saunders, G. Timothy (Tim) - Bill Files

FOLDER TITLE:

11/26/2001 [H. R. 2620]

FRC ID:

780

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advise between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

Deed of Gift Restrictions

- A. Closed by Executive Order 13526 governing access to national security information.
- B. Closed by statute or by the agency which originated the document.
- C. Closed in accordance with restrictions contained in donor's deed of gift.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]



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

01 NOV 20 PM 6:59

11/24/01
THE PRESIDENT HAS SEEN

THE DIRECTOR

November 20, 2001

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill H.R. 2620 -- Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, FY 2002

Sponsors: Representative Walsh (R), New York
Senator Mikulski (D), Maryland

Last Day for Action

November 27, 2001 -- Tuesday

Funding for the agencies and accounts covered by the enrolled bill is currently provided under H.J. Res. 74, the fifth FY 2002 Continuing Resolution, which will expire at midnight on Friday, December 7th.

Purpose

Provides FY 2002 appropriations for the Departments of Housing and Urban Development (HUD) and Veterans Affairs (VA), the Environmental Protection Agency (EPA), the National Aeronautics and Space Administration (NASA), the Federal Emergency Management Agency (FEMA), the National Science Foundation (NSF), and a number of smaller agencies.

Agency Recommendations

Office of Management and Budget

Approval (Signing Statement attached)

Department of Housing and Urban Development

Approval (Assumed)

Department of Veterans Affairs

Approval (Assumed)

Environmental Protection Agency

Approval (Assumed)

National Aeronautics and Space Administration

Approval (Assumed)

Federal Emergency Management Administration

Approval (Assumed)

National Science Foundation

Approval (Assumed)

Corporation for National and Community Service

Approval (Assumed)

Discussion

The VA/HUD/Independent Agencies enrolled bill provides a total of \$85.3 billion in FY 2002 discretionary budget authority, \$2.1 billion over your request and \$4.6 billion over the FY 2001 enacted level. The bill is funded within its 302(b) allocation. However, to stay within the allocation it includes a rescission of \$1.2 billion in HUD Section 8 unobligated balances, \$4.2 billion in HUD advance appropriations, and \$1.5 billion in contingent emergency funding for FEMA Disaster Relief. The conference report on H.R. 2620 was passed by the House 401 to 18 and by the Senate 87 to 7. We will continue to work with the Congress to ensure the policy and program content of each of the thirteen appropriations bills is acceptable to you and that the bill totals are within the recently agreed upon aggregate funding level of \$686 billion.

The enrolled bill provides most of your requested funding for housing assistance and community development programs. It also more than meets the funding requirements to improve benefits and services to our Nation's veterans. The enrolled bill provides sufficient funding to continue valuable space and earth science and aerospace programs at NASA, continues investments in research and science at the National Science Foundation, improves EPA's ability to be more effective in addressing the Nation's most pressing environmental quality needs, and addresses unforeseen funding requirements for the Federal Emergency Management Agency.

Presidential Initiatives

The enrolled bill addresses your FY 2002 requests for several key initiatives. The Veterans Affairs Duty to Assist initiative to improve performance in claims processing and assist veterans with their claims is fully funded at \$955 million. The National Science Foundation Math and Science Partnerships initiative, which provides funds for States to join with institutions of higher education in strengthening math and science education in grades K-12, receives \$160 million of the \$200 million you requested. The bill provides \$50 million of the \$200 million you requested for HUD's Down Payment Assistance initiative to assist low-income families with a down payment on their first home.

Department of Housing and Urban Development

The final version of the bill provides \$30 billion for the Department of Housing and Urban Development, \$425 million below your request and \$1.5 billion over the FY 2001 enacted level. Your FY 2002 Budget request focused on improving HUD's performance by funding those programs that are at the heart of its housing and community revitalization mission and proposed terminating programs that fall outside that mission.

As you requested, the enrolled bill renews all expiring rental assistance contracts to assist low income renters at a cost of \$15.1 billion. The bill also funds \$144 million of the \$197 million requested for additional low-income housing vouchers. Community Development Block Grants (CDBG) is funded \$5.0 billion, \$198 million over your request, and \$113 million below the FY 2001 enacted level. The enrolled bill also provides your requests of \$277 million for the Housing Opportunities for Persons with AIDS program and \$110 million for Lead Hazard

Reduction. Congress agreed with your request to eliminate funding for the underperforming Public Housing Drug Elimination Grants program.

As you requested, the final version of the bill provides authorization of a popular new loan type, hybrid adjustable-rate mortgages, which will increase demand for FHA-guaranteed loans. The bill also provides your requested increases in FHA receipts by raising premiums for some specialized FHA programs (e.g., condominium, rehabilitation, and multifamily loans), requiring all single-family FHA borrowers to pay the same premium rates and eliminating the Government subsidy.

Department of Veterans Affairs

The enrolled bill funds Veterans Affairs at \$23.8 billion, \$447 million over your request, and \$1.4 billion over the FY 2001 enacted level. The bill provides \$21.3 billion to VA Medical Care, \$351 million over your request and \$1.1 billion over the FY 2001 enacted level. Medical and Prosthetic Research is funded at \$371 million, slightly above your request. The enrolled bill contains language that would prevent VA from implementing your initiative to ensure that all military retirees annually choose either VA or DoD as their health care provider. Implementation of this initiative would enhance quality and continuity of care, and prevent duplication of services and costs.

Environmental Protection Agency (EPA)

The enrolled bill funds EPA at \$7.9 billion, \$590 million above your request and \$92 million over the FY 2001 enacted level. The bill provides \$3.9 billion, \$157 million over your request and \$44 million over the FY 2001 enacted level for the Operating Program. The Operating Program consists of EPA's core regulatory, research, and enforcement activities and State program grants. The bill provides \$3.7 billion for State and Tribal Assistance Grants, \$444 million above your request and \$112 million over the FY 2001 enacted level. Superfund is funded at \$1.27 billion, roughly equal to your request.

The enrolled bill adopts the language passed by the House prohibiting a delay in setting new drinking water standards for arsenic to include the standard of 10 parts per billion. However, there is report language stating that "the Congress and the Administration must act swiftly to provide both the time and the means for many small communities to meet the 10 parts per billion standard." The Administration is directed to provide a report to the Congress by March 1, 2002, that addresses affordability and compliance concerns of smaller communities.

Federal Emergency Management Agency (FEMA)

The enrolled bill provides \$2.1 billion for FEMA Disaster Relief, \$745 million over your request and \$518 million over the FY 2001 enacted level. However, \$1.5 billion of these funds is designated as contingent emergency funding. Base (non-emergency) funding is funded at \$664 million, \$702 million below your request. The bill provides \$413 million for Emergency Management Planning and Assistance, \$75 million over your request and \$61 million over the

FY 2001 enacted level. The bill also funds the Fire Grants program at \$150 million, \$50 million above your request. The enrolled bill provides the \$140 million you requested for the Emergency Food and Shelter Program.

National Aeronautics and Space Administration (NASA)

The conference bill provides \$14.8 billion for NASA, \$281 million above your request and \$539 million over the FY 2001 enacted level. The bill fully funds or almost fully funds priority science and technology programs at NASA, including the next decade of Mars missions, lower-cost space transportation, and astrophysics and climate change research. The International Space Station is funded at \$1.73 billion, \$75 million below your request and \$101 million below the FY 2001 enacted level. The bill, however, includes over 130 unrequested projects totaling over \$530 million, including funding for museums, planetariums, corporate jets, libraries, automobile engines, and college dormitories.

National Science Foundation (NSF)

The bill provides \$4.8 billion for NSF, \$317 million above your request and \$372 million over the FY 2001 enacted level. The bill provides \$3.6 billion for Research and Related Activities, \$271 million over your request and \$255 million over the FY 2001 enacted level. The bill also includes \$875 million for Education and Human Resources, \$3 million over your request and \$90 million over the FY 2001 enacted level.

Corporation for National and Community Service (CNCS)

The bill provides \$407 million for CNCS programs, \$9 million below your request and \$55 million below the FY 2001 enacted level.

Earmarked Funding

The Budget encouraged the Congress to reduce earmarking of appropriated funds to enhance programs ability to meet broad programmatic goals. Unfortunately, this bill increased the number of earmarks by approximately twelve percent.

Infringement on Executive Authority

There are several provisions in the enrolled bill that would require Committee approval before Executive Branch execution. The Administration has made it clear to the Congress, however, that we will interpret these provisions to require only notification of the Congress since any other interpretation would contradict the Supreme Court ruling in INS v. Chadha.

Recommendation

On balance, the enrolled bill provides adequate funding for your major initiatives and does not include a large number of objectionable legislative provisions. The enrolled bill also abides by the agreed upon funding level for FY 2002 of \$686 billion. I join with the heads of the affected Departments and agencies in recommending that you sign H.R. 2620. A signing statement is attached for your consideration.

Sincerely,

A handwritten signature in cursive script, appearing to read "Mitch Daniels".

Mitchell E. Daniels, Jr.
Director

Attachment

STATEMENT BY THE PRESIDENT

Today I have signed into law H.R. 2620, the "Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2002."

I appreciate the bipartisan effort that has gone into producing this Act. The bill abides by the agreed upon aggregate funding level for Fiscal Year 2002 of \$686 billion and supports several of my Administration's key initiatives with:

- \$955 million for the Veterans Affairs Duty to Assist initiative to improve performance in claims processing and assist veterans with their claims;
- \$160 million for the National Science Foundation Math and Science Partnerships initiative, which provides funds for States to join with institutions of higher education in strengthening math and science education in grades K-12; and,
- \$50 million for the Housing and Urban Development Down Payment Assistance initiative that assists low-income families with the down payment on their first home.

but I will not sign this bill

However, I am disappointed that several additional initiatives I have proposed did not receive funding or were worthy of authorization to proceed. These include the Community Technology Centers and Improving Access programs in HUD, the Silver Scholarships and Veterans Mission for Youth programs under the Corporation for National and Community Service, and the VA/DoD Medical Care Choice Initiative.

★

The Silver Scholarship Program would have provided Silver Scholarships to 10,000 older Americans who volunteer 500 hours of service tutoring and mentoring students in after-school programs. Each \$1,000 scholarship could be deposited in an education savings account for use by seniors' children, grandchildren, or another child. The Veterans Mission for Youth program would have provided matching grants to community organizations that connect veterans and retired military personnel with America's youth through mentoring, tutoring, after-school, and other programs.

The VA/DoD Medical Care Choice Initiative would ensure that all military retirees annually choose either the Department of Defense or the Department of Veterans Affairs as their health care provider. This would enhance quality and continuity of care, and prevent duplication of services and costs.

Several provisions in the bill purport to require congressional approval before executive branch execution of aspects of the bill. We will interpret such provisions to require notification only, since any other interpretation would contradict the Supreme Court ruling in INS v. Chadha.

Harriet's life incorporated. D/Clark

11/26

WHITE HOUSE STAFFING MEMORANDUM

Date: 11-20-01

ACTION / CONCURRENCE / COMMENT DUE BY: 11-21-01 4:00 PM

ENROLLED BILL H.R. 2620 - DEPARTMENTS OF VETERANS AFFAIRS AND
HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES

Subject: APPROPRIATIONS ACT, FY 2002

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☒	☐	HUBBARD	☒	☐
CARD	☒	☐	HUGHES	☒	☐
BLAKEMAN	☐	☐	IRASTORZA	☐	☐
BOLTEN	☒	☐	JOHNSON	☐	☐
CALIO	☒	☐	LINDSEY	☒	☐
CONNAUGHTON	☐	☐	MIERS	☐	☐
DANIELS	☐	☒	RICE	☐	☐
FLEISCHER	☒	☐	RIDGE	☐	☐
GERSON	☐	☐	ROVE	☒	☐
GONZALES	☒	☐	SPELLINGS	☒	☐
HAGIN	☐	☐	CLERK	☐	☒
HAWKINS	☒	☐		☐	☐

REMARKS:

Please forward comments directly to Staff Secretary, x62702, no later than 4:00 p.m.,
Wednesday, November 21, 2001. Thanks.

RESPONSE:

Harriet E. Miers
Assistant to the President
and Staff Secretary
Ext. 62702



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

01 NOV 2001 01:05

THE DIRECTOR

November 20, 2001

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill H.R. 2620 -- Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, FY 2002

Sponsors: Representative Walsh (R), New York
Senator Mikulski (D), Maryland

Last Day for Action

November 27, 2001 -- Tuesday

Funding for the agencies and accounts covered by the enrolled bill is currently provided under H.J. Res. 74, the fifth FY 2002 Continuing Resolution, which will expire at midnight on Friday, December 7th.

Purpose

Provides FY 2002 appropriations for the Departments of Housing and Urban Development (HUD) and Veterans Affairs (VA), the Environmental Protection Agency (EPA), the National Aeronautics and Space Administration (NASA), the Federal Emergency Management Agency (FEMA), the National Science Foundation (NSF), and a number of smaller agencies.

Agency Recommendations

Office of Management and Budget

Approval (Signing Statement attached)

Department of Housing and Urban Development

Approval (Assumed)

Department of Veterans Affairs

Approval (Assumed)

Environmental Protection Agency

Approval (Assumed)

National Aeronautics and Space Administration

Approval (Assumed)

Federal Emergency Management Administration

Approval (Assumed)

National Science Foundation

Approval (Assumed)

Corporation for National and Community Service

Approval (Assumed)

Discussion

The VA/HUD/Independent Agencies enrolled bill provides a total of \$85.3 billion in FY 2002 discretionary budget authority, \$2.1 billion over your request and \$4.6 billion over the FY 2001 enacted level. The bill is funded within its 302(b) allocation. However, to stay within the allocation it includes a rescission of \$1.2 billion in HUD Section 8 unobligated balances, \$4.2 billion in HUD advance appropriations, and \$1.5 billion in contingent emergency funding for FEMA Disaster Relief. The conference report on H.R. 2620 was passed by the House 401 to 18 and by the Senate 87 to 7. We will continue to work with the Congress to ensure the policy and program content of each of the thirteen appropriations bills is acceptable to you and that the bill totals are within the recently agreed upon aggregate funding level of \$686 billion.

The enrolled bill provides most of your requested funding for housing assistance and community development programs. It also more than meets the funding requirements to improve benefits and services to our Nation's veterans. The enrolled bill provides sufficient funding to continue valuable space and earth science and aerospace programs at NASA, continues investments in research and science at the National Science Foundation, improves EPA's ability to be more effective in addressing the Nation's most pressing environmental quality needs, and addresses unforeseen funding requirements for the Federal Emergency Management Agency.

Presidential Initiatives

The enrolled bill addresses your FY 2002 requests for several key initiatives. The Veterans Affairs Duty to Assist initiative to improve performance in claims processing and assist veterans with their claims is fully funded at \$955 million. The National Science Foundation Math and Science Partnerships initiative, which provides funds for States to join with institutions of higher education in strengthening math and science education in grades K-12, receives \$160 million of the \$200 million you requested. The bill provides \$50 million of the \$200 million you requested for HUD's Down Payment Assistance initiative to assist low-income families with a down payment on their first home.

Department of Housing and Urban Development

The final version of the bill provides \$30 billion for the Department of Housing and Urban Development, \$425 million below your request and \$1.5 billion over the FY 2001 enacted level. Your FY 2002 Budget request focused on improving HUD's performance by funding those programs that are at the heart of its housing and community revitalization mission and proposed terminating programs that fall outside that mission.

As you requested, the enrolled bill renews all expiring rental assistance contracts to assist low income renters at a cost of \$15.1 billion. The bill also funds \$144 million of the \$197 million requested for additional low-income housing vouchers. Community Development Block Grants (CDBG) is funded \$5.0 billion, \$198 million over your request, and \$113 million below the FY 2001 enacted level. The enrolled bill also provides your requests of \$277 million for the Housing Opportunities for Persons with AIDS program and \$110 million for Lead Hazard

Reduction. Congress agreed with your request to eliminate funding for the underperforming Public Housing Drug Elimination Grants program.

As you requested, the final version of the bill provides authorization of a popular new loan type, hybrid adjustable-rate mortgages, which will increase demand for FHA-guaranteed loans. The bill also provides your requested increases in FHA receipts by raising premiums for some specialized FHA programs (e.g., condominium, rehabilitation, and multifamily loans), requiring all single-family FHA borrowers to pay the same premium rates and eliminating the Government subsidy.

Department of Veterans Affairs

The enrolled bill funds Veterans Affairs at \$23.8 billion, \$447 million over your request, and \$1.4 billion over the FY 2001 enacted level. The bill provides \$21.3 billion to VA Medical Care, \$351 million over your request and \$1.1 billion over the FY 2001 enacted level. Medical and Prosthetic Research is funded at \$371 million, slightly above your request. The enrolled bill contains language that would prevent VA from implementing your initiative to ensure that all military retirees annually choose either VA or DoD as their health care provider. Implementation of this initiative would enhance quality and continuity of care, and prevent duplication of services and costs.

Environmental Protection Agency (EPA)

The enrolled bill funds EPA at \$7.9 billion, \$590 million above your request and \$92 million over the FY 2001 enacted level. The bill provides \$3.9 billion, \$157 million over your request and \$44 million over the FY 2001 enacted level for the Operating Program. The Operating Program consists of EPA's core regulatory, research, and enforcement activities and State program grants. The bill provides \$3.7 billion for State and Tribal Assistance Grants, \$444 million above your request and \$112 million over the FY 2001 enacted level. Superfund is funded at \$1.27 billion, roughly equal to your request.

The enrolled bill adopts the language passed by the House prohibiting a delay in setting new drinking water standards for arsenic to include the standard of 10 parts per billion. However, there is report language stating that "the Congress and the Administration must act swiftly to provide both the time and the means for many small communities to meet the 10 parts per billion standard." The Administration is directed to provide a report to the Congress by March 1, 2002, that addresses affordability and compliance concerns of smaller communities.

Federal Emergency Management Agency (FEMA)

The enrolled bill provides \$2.1 billion for FEMA Disaster Relief, \$745 million over your request and \$518 million over the FY 2001 enacted level. However, \$1.5 billion of these funds is designated as contingent emergency funding. Base (non-emergency) funding is funded at \$664 million, \$702 million below your request. The bill provides \$413 million for Emergency Management Planning and Assistance, \$75 million over your request and \$61 million over the

FY 2001 enacted level. The bill also funds the Fire Grants program at \$150 million, \$50 million above your request. The enrolled bill provides the \$140 million you requested for the Emergency Food and Shelter Program.

National Aeronautics and Space Administration (NASA)

The conference bill provides \$14.8 billion for NASA, \$281 million above your request and \$539 million over the FY 2001 enacted level. The bill fully funds or almost fully funds priority science and technology programs at NASA, including the next decade of Mars missions, lower-cost space transportation, and astrophysics and climate change research. The International Space Station is funded at \$1.73 billion, \$75 million below your request and \$101 million below the FY 2001 enacted level. The bill, however, includes over 130 unrequested projects totaling over \$530 million, including funding for museums, planetariums, corporate jets, libraries, automobile engines, and college dormitories.

National Science Foundation (NSF)

The bill provides \$4.8 billion for NSF, \$317 million above your request and \$372 million over the FY 2001 enacted level. The bill provides \$3.6 billion for Research and Related Activities, \$271 million over your request and \$255 million over the FY 2001 enacted level. The bill also includes \$875 million for Education and Human Resources, \$3 million over your request and \$90 million over the FY 2001 enacted level.

Corporation for National and Community Service (CNCS)

The bill provides \$407 million for CNCS programs, \$9 million below your request and \$55 million below the FY 2001 enacted level.

Earmarked Funding

The Budget encouraged the Congress to reduce earmarking of appropriated funds to enhance programs ability to meet broad programmatic goals. Unfortunately, this bill increased the number of earmarks by approximately twelve percent.

Infringement on Executive Authority

There are several provisions in the enrolled bill that would require Committee approval before Executive Branch execution. The Administration has made it clear to the Congress, however, that we will interpret these provisions to require only notification of the Congress since any other interpretation would contradict the Supreme Court ruling in INS v. Chadha.

Recommendation

On balance, the enrolled bill provides adequate funding for your major initiatives and does not include a large number of objectionable legislative provisions. The enrolled bill also abides by the agreed upon funding level for FY 2002 of \$686 billion. I join with the heads of the affected Departments and agencies in recommending that you sign H.R. 2620. A signing statement is attached for your consideration.

Sincerely,

A handwritten signature in cursive script, appearing to read "Mitch Daniels".

Mitchell E. Daniels, Jr.
Director

Attachment

STATEMENT BY THE PRESIDENT

Today I have signed into law H.R. 2620, the "Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2002."

I appreciate the bipartisan effort that has gone into producing this Act. The bill abides by the agreed upon aggregate funding level for Fiscal Year 2002 of \$686 billion and supports several of my Administration's key initiatives with:

- \$955 million for the Veterans Affairs Duty to Assist initiative to improve performance in claims processing and assist veterans with their claims;
- \$160 million for the National Science Foundation Math and Science Partnerships initiative, which provides funds for States to join with institutions of higher education in strengthening math and science education in grades K-12; and,
- \$50 million for the Housing and Urban Development Down Payment Assistance initiative that assists low-income families with the down payment on their first home.

However, I am disappointed that several additional initiatives I have proposed did not receive funding or authorization to proceed. These include the Community Technology Centers and Improving Access programs in HUD, the Silver Scholarships and Veterans Mission for Youth programs under the Corporation for National and Community Service, and the VA/DoD Medical Care Choice Initiative.

The Silver Scholarship Program would have provided Silver Scholarships to 10,000 older Americans who volunteer 500 hours of service tutoring and mentoring students in after-school programs. Each \$1,000 scholarship could be deposited in an education savings account for use by seniors' children, grandchildren, or another child. The Veterans Mission for Youth program would have provided matching grants to community organizations that connect veterans and retired military personnel with America's youth through mentoring, tutoring, after-school, and other programs.

The VA/DoD Medical Care Choice Initiative would ensure that all military retirees annually choose either the Department of Defense or the Department of Veterans Affairs as their health care provider. This would enhance quality and continuity of care, and prevent duplication of services and costs.

Several provisions in the bill purport to require congressional approval before executive branch execution of aspects of the bill. We will interpret such provisions to require notification only, since any other interpretation would contradict the Supreme Court ruling in INS v. Chadha.



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

THE DIRECTOR

November 20, 2001

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill H.R. 2620 -- Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, FY 2002

Sponsors: Representative Walsh (R), New York
Senator Mikulski (D), Maryland

Last Day for Action

November 27, 2001 -- Tuesday

Funding for the agencies and accounts covered by the enrolled bill is currently provided under H.J. Res. 74, the fifth FY 2002 Continuing Resolution, which will expire at midnight on Friday, December 7th.

Purpose

Provides FY 2002 appropriations for the Departments of Housing and Urban Development (HUD) and Veterans Affairs (VA), the Environmental Protection Agency (EPA), the National Aeronautics and Space Administration (NASA), the Federal Emergency Management Agency (FEMA), the National Science Foundation (NSF), and a number of smaller agencies.

Agency Recommendations

Office of Management and Budget

Approval (Signing Statement attached)

Department of Housing and Urban Development

Approval (Assumed)

Department of Veterans Affairs

Approval (Assumed)

Environmental Protection Agency

Approval (Assumed)

National Aeronautics and Space Administration

Approval (Assumed)

Federal Emergency Management Administration

Approval (Assumed)

National Science Foundation

Approval (Assumed)

Corporation for National and Community Service

Approval (Assumed)

Discussion

The VA/HUD/Independent Agencies enrolled bill provides a total of \$85.3 billion in FY 2002 discretionary budget authority, \$2.1 billion over your request and \$4.6 billion over the FY 2001 enacted level. The bill is funded within its 302(b) allocation. However, to stay within the allocation it includes a rescission of \$1.2 billion in HUD Section 8 unobligated balances, \$4.2 billion in HUD advance appropriations, and \$1.5 billion in contingent emergency funding for FEMA Disaster Relief. The conference report on H.R. 2620 was passed by the House 401 to 18 and by the Senate 87 to 7. We will continue to work with the Congress to ensure the policy and program content of each of the thirteen appropriations bills is acceptable to you and that the bill totals are within the recently agreed upon aggregate funding level of \$686 billion.

The enrolled bill provides most of your requested funding for housing assistance and community development programs. It also more than meets the funding requirements to improve benefits and services to our Nation's veterans. The enrolled bill provides sufficient funding to continue valuable space and earth science and aerospace programs at NASA, continues investments in research and science at the National Science Foundation, improves EPA's ability to be more effective in addressing the Nation's most pressing environmental quality needs, and addresses unforeseen funding requirements for the Federal Emergency Management Agency.

Presidential Initiatives

The enrolled bill addresses your FY 2002 requests for several key initiatives. The Veterans Affairs Duty to Assist initiative to improve performance in claims processing and assist veterans with their claims is fully funded at \$955 million. The National Science Foundation Math and Science Partnerships initiative, which provides funds for States to join with institutions of higher education in strengthening math and science education in grades K-12, receives \$160 million of the \$200 million you requested. The bill provides \$50 million of the \$200 million you requested for HUD's Down Payment Assistance initiative to assist low-income families with a down payment on their first home.

Department of Housing and Urban Development

The final version of the bill provides \$30 billion for the Department of Housing and Urban Development, \$425 million below your request and \$1.5 billion over the FY 2001 enacted level. Your FY 2002 Budget request focused on improving HUD's performance by funding those programs that are at the heart of its housing and community revitalization mission and proposed terminating programs that fall outside that mission.

As you requested, the enrolled bill renews all expiring rental assistance contracts to assist low income renters at a cost of \$15.1 billion. The bill also funds \$144 million of the \$197 million requested for additional low-income housing vouchers. Community Development Block Grants (CDBG) is funded \$5.0 billion, \$198 million over your request, and \$113 million below the FY 2001 enacted level. The enrolled bill also provides your requests of \$277 million for the Housing Opportunities for Persons with AIDS program and \$110 million for Lead Hazard

Reduction. Congress agreed with your request to eliminate funding for the underperforming Public Housing Drug Elimination Grants program.

As you requested, the final version of the bill provides authorization of a popular new loan type, hybrid adjustable-rate mortgages, which will increase demand for FHA-guaranteed loans. The bill also provides your requested increases in FHA receipts by raising premiums for some specialized FHA programs (e.g., condominium, rehabilitation, and multifamily loans), requiring all single-family FHA borrowers to pay the same premium rates and eliminating the Government subsidy.

Department of Veterans Affairs

The enrolled bill funds Veterans Affairs at \$23.8 billion, \$447 million over your request, and \$1.4 billion over the FY 2001 enacted level. The bill provides \$21.3 billion to VA Medical Care, \$351 million over your request and \$1.1 billion over the FY 2001 enacted level. Medical and Prosthetic Research is funded at \$371 million, slightly above your request. The enrolled bill contains language that would prevent VA from implementing your initiative to ensure that all military retirees annually choose either VA or DoD as their health care provider. Implementation of this initiative would enhance quality and continuity of care, and prevent duplication of services and costs.

Environmental Protection Agency (EPA)

The enrolled bill funds EPA at \$7.9 billion, \$590 million above your request and \$92 million over the FY 2001 enacted level. The bill provides \$3.9 billion, \$157 million over your request and \$44 million over the FY 2001 enacted level for the Operating Program. The Operating Program consists of EPA's core regulatory, research, and enforcement activities and State program grants. The bill provides \$3.7 billion for State and Tribal Assistance Grants, \$444 million above your request and \$112 million over the FY 2001 enacted level. Superfund is funded at \$1.27 billion, roughly equal to your request.

The enrolled bill adopts the language passed by the House prohibiting a delay in setting new drinking water standards for arsenic to include the standard of 10 parts per billion. However, there is report language stating that "the Congress and the Administration must act swiftly to provide both the time and the means for many small communities to meet the 10 parts per billion standard." The Administration is directed to provide a report to the Congress by March 1, 2002, that addresses affordability and compliance concerns of smaller communities.

Federal Emergency Management Agency (FEMA)

The enrolled bill provides \$2.1 billion for FEMA Disaster Relief, \$745 million over your request and \$518 million over the FY 2001 enacted level. However, \$1.5 billion of these funds is designated as contingent emergency funding. Base (non-emergency) funding is funded at \$664 million, \$702 million below your request. The bill provides \$413 million for Emergency Management Planning and Assistance, \$75 million over your request and \$61 million over the

FY 2001 enacted level. The bill also funds the Fire Grants program at \$150 million, \$50 million above your request. The enrolled bill provides the \$140 million you requested for the Emergency Food and Shelter Program.

National Aeronautics and Space Administration (NASA)

The conference bill provides \$14.8 billion for NASA, \$281 million above your request and \$539 million over the FY 2001 enacted level. The bill fully funds or almost fully funds priority science and technology programs at NASA, including the next decade of Mars missions, lower-cost space transportation, and astrophysics and climate change research. The International Space Station is funded at \$1.73 billion, \$75 million below your request and \$101 million below the FY 2001 enacted level. The bill, however, includes over 130 unrequested projects totaling over \$530 million, including funding for museums, planetariums, corporate jets, libraries, automobile engines, and college dormitories.

National Science Foundation (NSF)

The bill provides \$4.8 billion for NSF, \$317 million above your request and \$372 million over the FY 2001 enacted level. The bill provides \$3.6 billion for Research and Related Activities, \$271 million over your request and \$255 million over the FY 2001 enacted level. The bill also includes \$875 million for Education and Human Resources, \$3 million over your request and \$90 million over the FY 2001 enacted level.

Corporation for National and Community Service (CNCS)

The bill provides \$407 million for CNCS programs, \$9 million below your request and \$55 million below the FY 2001 enacted level.

Earmarked Funding

The Budget encouraged the Congress to reduce earmarking of appropriated funds to enhance programs ability to meet broad programmatic goals. Unfortunately, this bill increased the number of earmarks by approximately twelve percent.

Infringement on Executive Authority

There are several provisions in the enrolled bill that would require Committee approval before Executive Branch execution. The Administration has made it clear to the Congress, however, that we will interpret these provisions to require only notification of the Congress since any other interpretation would contradict the Supreme Court ruling in INS v. Chadha.

Recommendation

On balance, the enrolled bill provides adequate funding for your major initiatives and does not include a large number of objectionable legislative provisions. The enrolled bill also abides by the agreed upon funding level for FY 2002 of \$686 billion. I join with the heads of the affected Departments and agencies in recommending that you sign H.R. 2620. A signing statement is attached for your consideration.

Sincerely,

A handwritten signature in cursive script, appearing to read "Mitch Daniels".

Mitchell E. Daniels, Jr.
Director

Attachment

STATEMENT BY THE PRESIDENT

Today I have signed into law H.R. 2620, the "Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2002."

I appreciate the bipartisan effort that has gone into producing this Act. The bill abides by the agreed upon aggregate funding level for Fiscal Year 2002 of \$686 billion and supports several of my Administration's key initiatives with:

- \$955 million for the Veterans Affairs Duty to Assist initiative to improve performance in claims processing and assist veterans with their claims;
- \$160 million for the National Science Foundation Math and Science Partnerships initiative, which provides funds for States to join with institutions of higher education in strengthening math and science education in grades K-12; and,
- \$50 million for the Housing and Urban Development Down Payment Assistance initiative that assists low-income families with the down payment on their first home.

However, I am disappointed that several additional initiatives I have proposed did not receive funding or authorization to proceed. These include the Community Technology Centers and Improving Access programs in HUD, the Silver Scholarships and Veterans Mission for Youth programs under the Corporation for National and Community Service, and the VA/DoD Medical Care Choice Initiative.

The Silver Scholarship Program would have provided Silver Scholarships to 10,000 older Americans who volunteer 500 hours of service tutoring and mentoring students in after-school programs. Each \$1,000 scholarship could be deposited in an education savings account for use by seniors' children, grandchildren, or another child. The Veterans Mission for Youth program would have provided matching grants to community organizations that connect veterans and retired military personnel with America's youth through mentoring, tutoring, after-school, and other programs.

The VA/DoD Medical Care Choice Initiative would ensure that all military retirees annually choose either the Department of Defense or the Department of Veterans Affairs as their health care provider. This would enhance quality and continuity of care, and prevent duplication of services and costs.

Several provisions in the bill purport to require congressional approval before executive branch execution of aspects of the bill. We will interpret such provisions to require notification only, since any other interpretation would contradict the Supreme Court ruling in INS v. Chadha.



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

THE DIRECTOR

November 20, 2001

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill H.R. 2620 -- Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, FY 2002

Sponsors: Representative Walsh (R), New York
Senator Mikulski (D), Maryland

Last Day for Action

November 27, 2001 -- Tuesday

Funding for the agencies and accounts covered by the enrolled bill is currently provided under H.J. Res. 74, the fifth FY 2002 Continuing Resolution, which will expire at midnight on Friday, December 7th.

Purpose

Provides FY 2002 appropriations for the Departments of Housing and Urban Development (HUD) and Veterans Affairs (VA), the Environmental Protection Agency (EPA), the National Aeronautics and Space Administration (NASA), the Federal Emergency Management Agency (FEMA), the National Science Foundation (NSF), and a number of smaller agencies.

Agency Recommendations

Office of Management and Budget

Approval (Signing Statement attached)

Department of Housing and Urban Development

Approval (Assumed)

Department of Veterans Affairs

Approval (Assumed)

Environmental Protection Agency

Approval (Assumed)

National Aeronautics and Space Administration

Approval (Assumed)

Federal Emergency Management Administration

Approval (Assumed)

National Science Foundation

Approval (Assumed)

Corporation for National and Community Service

Approval (Assumed)

Discussion

The VA/HUD/Independent Agencies enrolled bill provides a total of \$85.3 billion in FY 2002 discretionary budget authority, \$2.1 billion over your request and \$4.6 billion over the FY 2001 enacted level. The bill is funded within its 302(b) allocation. However, to stay within the allocation it includes a rescission of \$1.2 billion in HUD Section 8 unobligated balances, \$4.2 billion in HUD advance appropriations, and \$1.5 billion in contingent emergency funding for FEMA Disaster Relief. The conference report on H.R. 2620 was passed by the House 401 to 18 and by the Senate 87 to 7. We will continue to work with the Congress to ensure the policy and program content of each of the thirteen appropriations bills is acceptable to you and that the bill totals are within the recently agreed upon aggregate funding level of \$686 billion.

The enrolled bill provides most of your requested funding for housing assistance and community development programs. It also more than meets the funding requirements to improve benefits and services to our Nation's veterans. The enrolled bill provides sufficient funding to continue valuable space and earth science and aerospace programs at NASA, continues investments in research and science at the National Science Foundation, improves EPA's ability to be more effective in addressing the Nation's most pressing environmental quality needs, and addresses unforeseen funding requirements for the Federal Emergency Management Agency.

Presidential Initiatives

The enrolled bill addresses your FY 2002 requests for several key initiatives. The Veterans Affairs Duty to Assist initiative to improve performance in claims processing and assist veterans with their claims is fully funded at \$955 million. The National Science Foundation Math and Science Partnerships initiative, which provides funds for States to join with institutions of higher education in strengthening math and science education in grades K-12, receives \$160 million of the \$200 million you requested. The bill provides \$50 million of the \$200 million you requested for HUD's Down Payment Assistance initiative to assist low-income families with a down payment on their first home.

Department of Housing and Urban Development

The final version of the bill provides \$30 billion for the Department of Housing and Urban Development, \$425 million below your request and \$1.5 billion over the FY 2001 enacted level. Your FY 2002 Budget request focused on improving HUD's performance by funding those programs that are at the heart of its housing and community revitalization mission and proposed terminating programs that fall outside that mission.

As you requested, the enrolled bill renews all expiring rental assistance contracts to assist low income renters at a cost of \$15.1 billion. The bill also funds \$144 million of the \$197 million requested for additional low-income housing vouchers. Community Development Block Grants (CDBG) is funded \$5.0 billion, \$198 million over your request, and \$113 million below the FY 2001 enacted level. The enrolled bill also provides your requests of \$277 million for the Housing Opportunities for Persons with AIDS program and \$110 million for Lead Hazard

Reduction. Congress agreed with your request to eliminate funding for the underperforming Public Housing Drug Elimination Grants program.

As you requested, the final version of the bill provides authorization of a popular new loan type, hybrid adjustable-rate mortgages, which will increase demand for FHA-guaranteed loans. The bill also provides your requested increases in FHA receipts by raising premiums for some specialized FHA programs (e.g., condominium, rehabilitation, and multifamily loans), requiring all single-family FHA borrowers to pay the same premium rates and eliminating the Government subsidy.

Department of Veterans Affairs

The enrolled bill funds Veterans Affairs at \$23.8 billion, \$447 million over your request, and \$1.4 billion over the FY 2001 enacted level. The bill provides \$21.3 billion to VA Medical Care, \$351 million over your request and \$1.1 billion over the FY 2001 enacted level. Medical and Prosthetic Research is funded at \$371 million, slightly above your request. The enrolled bill contains language that would prevent VA from implementing your initiative to ensure that all military retirees annually choose either VA or DoD as their health care provider. Implementation of this initiative would enhance quality and continuity of care, and prevent duplication of services and costs.

Environmental Protection Agency (EPA)

The enrolled bill funds EPA at \$7.9 billion, \$590 million above your request and \$92 million over the FY 2001 enacted level. The bill provides \$3.9 billion, \$157 million over your request and \$44 million over the FY 2001 enacted level for the Operating Program. The Operating Program consists of EPA's core regulatory, research, and enforcement activities and State program grants. The bill provides \$3.7 billion for State and Tribal Assistance Grants, \$444 million above your request and \$112 million over the FY 2001 enacted level. Superfund is funded at \$1.27 billion, roughly equal to your request.

The enrolled bill adopts the language passed by the House prohibiting a delay in setting new drinking water standards for arsenic to include the standard of 10 parts per billion. However, there is report language stating that "the Congress and the Administration must act swiftly to provide both the time and the means for many small communities to meet the 10 parts per billion standard." The Administration is directed to provide a report to the Congress by March 1, 2002, that addresses affordability and compliance concerns of smaller communities.

Federal Emergency Management Agency (FEMA)

The enrolled bill provides \$2.1 billion for FEMA Disaster Relief, \$745 million over your request and \$518 million over the FY 2001 enacted level. However, \$1.5 billion of these funds is designated as contingent emergency funding. Base (non-emergency) funding is funded at \$664 million, \$702 million below your request. The bill provides \$413 million for Emergency Management Planning and Assistance, \$75 million over your request and \$61 million over the

FY 2001 enacted level. The bill also funds the Fire Grants program at \$150 million, \$50 million above your request. The enrolled bill provides the \$140 million you requested for the Emergency Food and Shelter Program.

National Aeronautics and Space Administration (NASA)

The conference bill provides \$14.8 billion for NASA, \$281 million above your request and \$539 million over the FY 2001 enacted level. The bill fully funds or almost fully funds priority science and technology programs at NASA, including the next decade of Mars missions, lower-cost space transportation, and astrophysics and climate change research. The International Space Station is funded at \$1.73 billion, \$75 million below your request and \$101 million below the FY 2001 enacted level. The bill, however, includes over 130 unrequested projects totaling over \$530 million, including funding for museums, planetariums, corporate jets, libraries, automobile engines, and college dormitories.

National Science Foundation (NSF)

The bill provides \$4.8 billion for NSF, \$317 million above your request and \$372 million over the FY 2001 enacted level. The bill provides \$3.6 billion for Research and Related Activities, \$271 million over your request and \$255 million over the FY 2001 enacted level. The bill also includes \$875 million for Education and Human Resources, \$3 million over your request and \$90 million over the FY 2001 enacted level.

Corporation for National and Community Service (CNCS)

The bill provides \$407 million for CNCS programs, \$9 million below your request and \$55 million below the FY 2001 enacted level.

Earmarked Funding

The Budget encouraged the Congress to reduce earmarking of appropriated funds to enhance programs ability to meet broad programmatic goals. Unfortunately, this bill increased the number of earmarks by approximately twelve percent.

Infringement on Executive Authority

There are several provisions in the enrolled bill that would require Committee approval before Executive Branch execution. The Administration has made it clear to the Congress, however, that we will interpret these provisions to require only notification of the Congress since any other interpretation would contradict the Supreme Court ruling in INS v. Chadha.

Recommendation

On balance, the enrolled bill provides adequate funding for your major initiatives and does not include a large number of objectionable legislative provisions. The enrolled bill also abides by the agreed upon funding level for FY 2002 of \$686 billion. I join with the heads of the affected Departments and agencies in recommending that you sign H.R. 2620. A signing statement is attached for your consideration.

Sincerely,

A handwritten signature in cursive script, appearing to read "Mitch Daniels".

Mitchell E. Daniels, Jr.
Director

Attachment

STATEMENT BY THE PRESIDENT

Today I have signed into law H.R. 2620, the "Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2002."

I appreciate the bipartisan effort that has gone into producing this Act. The bill abides by the agreed upon aggregate funding level for Fiscal Year 2002 of \$686 billion and supports several of my Administration's key initiatives with:

- \$955 million for the Veterans Affairs Duty to Assist initiative to improve performance in claims processing and assist veterans with their claims;
- \$160 million for the National Science Foundation Math and Science Partnerships initiative, which provides funds for States to join with institutions of higher education in strengthening math and science education in grades K-12; and,
- \$50 million for the Housing and Urban Development Down Payment Assistance initiative that assists low-income families with the down payment on their first home.

However, I am disappointed that several additional initiatives I have proposed did not receive funding or authorization to proceed. These include the Community Technology Centers and Improving Access programs in HUD, the Silver Scholarships and Veterans Mission for Youth programs under the Corporation for National and Community Service, and the VA/DoD Medical Care Choice Initiative.

The Silver Scholarship Program would have provided Silver Scholarships to 10,000 older Americans who volunteer 500 hours of service tutoring and mentoring students in after-school programs. Each \$1,000 scholarship could be deposited in an education savings account for use by seniors' children, grandchildren, or another child. The Veterans Mission for Youth program would have provided matching grants to community organizations that connect veterans and retired military personnel with America's youth through mentoring, tutoring, after-school, and other programs.

The VA/DoD Medical Care Choice Initiative would ensure that all military retirees annually choose either the Department of Defense or the Department of Veterans Affairs as their health care provider. This would enhance quality and continuity of care, and prevent duplication of services and costs.

Several provisions in the bill purport to require congressional approval before executive branch execution of aspects of the bill. We will interpret such provisions to require notification only, since any other interpretation would contradict the Supreme Court ruling in INS v. Chadha.



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

THE DIRECTOR

November 20, 2001

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill H.R. 2620 -- Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, FY 2002

Sponsors: Representative Walsh (R), New York
Senator Mikulski (D), Maryland

Last Day for Action

November 27, 2001 -- Tuesday

Funding for the agencies and accounts covered by the enrolled bill is currently provided under H.J. Res. 74, the fifth FY 2002 Continuing Resolution, which will expire at midnight on Friday, December 7th.

Purpose

Provides FY 2002 appropriations for the Departments of Housing and Urban Development (HUD) and Veterans Affairs (VA), the Environmental Protection Agency (EPA), the National Aeronautics and Space Administration (NASA), the Federal Emergency Management Agency (FEMA), the National Science Foundation (NSF), and a number of smaller agencies.

Agency Recommendations

Office of Management and Budget

Approval (Signing Statement
attached)

Department of Housing and Urban Development

Approval (Assumed)

Department of Veterans Affairs

Approval (Assumed)

Environmental Protection Agency

Approval (Assumed)

National Aeronautics and Space Administration

Approval (Assumed)

Federal Emergency Management Administration

Approval (Assumed)

National Science Foundation

Approval (Assumed)

Corporation for National and Community Service

Approval (Assumed)

Discussion

The VA/HUD/Independent Agencies enrolled bill provides a total of \$85.3 billion in FY 2002 discretionary budget authority, \$2.1 billion over your request and \$4.6 billion over the FY 2001 enacted level. The bill is funded within its 302(b) allocation. However, to stay within the allocation it includes a rescission of \$1.2 billion in HUD Section 8 unobligated balances, \$4.2 billion in HUD advance appropriations, and \$1.5 billion in contingent emergency funding for FEMA Disaster Relief. The conference report on H.R. 2620 was passed by the House 401 to 18 and by the Senate 87 to 7. We will continue to work with the Congress to ensure the policy and program content of each of the thirteen appropriations bills is acceptable to you and that the bill totals are within the recently agreed upon aggregate funding level of \$686 billion.

The enrolled bill provides most of your requested funding for housing assistance and community development programs. It also more than meets the funding requirements to improve benefits and services to our Nation's veterans. The enrolled bill provides sufficient funding to continue valuable space and earth science and aerospace programs at NASA, continues investments in research and science at the National Science Foundation, improves EPA's ability to be more effective in addressing the Nation's most pressing environmental quality needs, and addresses unforeseen funding requirements for the Federal Emergency Management Agency.

Presidential Initiatives

The enrolled bill addresses your FY 2002 requests for several key initiatives. The Veterans Affairs Duty to Assist initiative to improve performance in claims processing and assist veterans with their claims is fully funded at \$955 million. The National Science Foundation Math and Science Partnerships initiative, which provides funds for States to join with institutions of higher education in strengthening math and science education in grades K-12, receives \$160 million of the \$200 million you requested. The bill provides \$50 million of the \$200 million you requested for HUD's Down Payment Assistance initiative to assist low-income families with a down payment on their first home.

Department of Housing and Urban Development

The final version of the bill provides \$30 billion for the Department of Housing and Urban Development, \$425 million below your request and \$1.5 billion over the FY 2001 enacted level. Your FY 2002 Budget request focused on improving HUD's performance by funding those programs that are at the heart of its housing and community revitalization mission and proposed terminating programs that fall outside that mission.

As you requested, the enrolled bill renews all expiring rental assistance contracts to assist low income renters at a cost of \$15.1 billion. The bill also funds \$144 million of the \$197 million requested for additional low-income housing vouchers. Community Development Block Grants (CDBG) is funded \$5.0 billion, \$198 million over your request, and \$113 million below the FY 2001 enacted level. The enrolled bill also provides your requests of \$277 million for the Housing Opportunities for Persons with AIDS program and \$110 million for Lead Hazard

Reduction. Congress agreed with your request to eliminate funding for the underperforming Public Housing Drug Elimination Grants program.

As you requested, the final version of the bill provides authorization of a popular new loan type, hybrid adjustable-rate mortgages, which will increase demand for FHA-guaranteed loans. The bill also provides your requested increases in FHA receipts by raising premiums for some specialized FHA programs (e.g., condominium, rehabilitation, and multifamily loans), requiring all single-family FHA borrowers to pay the same premium rates and eliminating the Government subsidy.

Department of Veterans Affairs

The enrolled bill funds Veterans Affairs at \$23.8 billion, \$447 million over your request, and \$1.4 billion over the FY 2001 enacted level. The bill provides \$21.3 billion to VA Medical Care, \$351 million over your request and \$1.1 billion over the FY 2001 enacted level. Medical and Prosthetic Research is funded at \$371 million, slightly above your request. The enrolled bill contains language that would prevent VA from implementing your initiative to ensure that all military retirees annually choose either VA or DoD as their health care provider. Implementation of this initiative would enhance quality and continuity of care, and prevent duplication of services and costs.

Environmental Protection Agency (EPA)

The enrolled bill funds EPA at \$7.9 billion, \$590 million above your request and \$92 million over the FY 2001 enacted level. The bill provides \$3.9 billion, \$157 million over your request and \$44 million over the FY 2001 enacted level for the Operating Program. The Operating Program consists of EPA's core regulatory, research, and enforcement activities and State program grants. The bill provides \$3.7 billion for State and Tribal Assistance Grants, \$444 million above your request and \$112 million over the FY 2001 enacted level. Superfund is funded at \$1.27 billion, roughly equal to your request.

The enrolled bill adopts the language passed by the House prohibiting a delay in setting new drinking water standards for arsenic to include the standard of 10 parts per billion. However, there is report language stating that "the Congress and the Administration must act swiftly to provide both the time and the means for many small communities to meet the 10 parts per billion standard." The Administration is directed to provide a report to the Congress by March 1, 2002, that addresses affordability and compliance concerns of smaller communities.

Federal Emergency Management Agency (FEMA)

The enrolled bill provides \$2.1 billion for FEMA Disaster Relief, \$745 million over your request and \$518 million over the FY 2001 enacted level. However, \$1.5 billion of these funds is designated as contingent emergency funding. Base (non-emergency) funding is funded at \$664 million, \$702 million below your request. The bill provides \$413 million for Emergency Management Planning and Assistance, \$75 million over your request and \$61 million over the

FY 2001 enacted level. The bill also funds the Fire Grants program at \$150 million, \$50 million above your request. The enrolled bill provides the \$140 million you requested for the Emergency Food and Shelter Program.

National Aeronautics and Space Administration (NASA)

The conference bill provides \$14.8 billion for NASA, \$281 million above your request and \$539 million over the FY 2001 enacted level. The bill fully funds or almost fully funds priority science and technology programs at NASA, including the next decade of Mars missions, lower-cost space transportation, and astrophysics and climate change research. The International Space Station is funded at \$1.73 billion, \$75 million below your request and \$101 million below the FY 2001 enacted level. The bill, however, includes over 130 unrequested projects totaling over \$530 million, including funding for museums, planetariums, corporate jets, libraries, automobile engines, and college dormitories.

National Science Foundation (NSF)

The bill provides \$4.8 billion for NSF, \$317 million above your request and \$372 million over the FY 2001 enacted level. The bill provides \$3.6 billion for Research and Related Activities, \$271 million over your request and \$255 million over the FY 2001 enacted level. The bill also includes \$875 million for Education and Human Resources, \$3 million over your request and \$90 million over the FY 2001 enacted level.

Corporation for National and Community Service (CNCS)

The bill provides \$407 million for CNCS programs, \$9 million below your request and \$55 million below the FY 2001 enacted level.

Earmarked Funding

The Budget encouraged the Congress to reduce earmarking of appropriated funds to enhance programs ability to meet broad programmatic goals. Unfortunately, this bill increased the number of earmarks by approximately twelve percent.

Infringement on Executive Authority

There are several provisions in the enrolled bill that would require Committee approval before Executive Branch execution. The Administration has made it clear to the Congress, however, that we will interpret these provisions to require only notification of the Congress since any other interpretation would contradict the Supreme Court ruling in INS v. Chadha.

Recommendation

On balance, the enrolled bill provides adequate funding for your major initiatives and does not include a large number of objectionable legislative provisions. The enrolled bill also abides by the agreed upon funding level for FY 2002 of \$686 billion. I join with the heads of the affected Departments and agencies in recommending that you sign H.R. 2620. A signing statement is attached for your consideration.

Sincerely,

A handwritten signature in cursive script, appearing to read "Mitch Daniels".

Mitchell E. Daniels, Jr.
Director

Attachment

STATEMENT BY THE PRESIDENT

Today I have signed into law H.R. 2620, the "Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2002."

I appreciate the bipartisan effort that has gone into producing this Act. The bill abides by the agreed upon aggregate funding level for Fiscal Year 2002 of \$686 billion and supports several of my Administration's key initiatives with:

- \$955 million for the Veterans Affairs Duty to Assist initiative to improve performance in claims processing and assist veterans with their claims;
- \$160 million for the National Science Foundation Math and Science Partnerships initiative, which provides funds for States to join with institutions of higher education in strengthening math and science education in grades K-12; and,
- \$50 million for the Housing and Urban Development Down Payment Assistance initiative that assists low-income families with the down payment on their first home.

However, I am disappointed that several additional initiatives I have proposed did not receive funding or authorization to proceed. These include the Community Technology Centers and Improving Access programs in HUD, the Silver Scholarships and Veterans Mission for Youth programs under the Corporation for National and Community Service, and the VA/DoD Medical Care Choice Initiative.

The Silver Scholarship Program would have provided Silver Scholarships to 10,000 older Americans who volunteer 500 hours of service tutoring and mentoring students in after-school programs. Each \$1,000 scholarship could be deposited in an education savings account for use by seniors' children, grandchildren, or another child. The Veterans Mission for Youth program would have provided matching grants to community organizations that connect veterans and retired military personnel with America's youth through mentoring, tutoring, after-school, and other programs.

The VA/DoD Medical Care Choice Initiative would ensure that all military retirees annually choose either the Department of Defense or the Department of Veterans Affairs as their health care provider. This would enhance quality and continuity of care, and prevent duplication of services and costs.

Several provisions in the bill purport to require congressional approval before executive branch execution of aspects of the bill. We will interpret such provisions to require notification only, since any other interpretation would contradict the Supreme Court ruling in INS v. Chadha.

WHITE HOUSE STAFFING MEMORANDUM

Date: 11-20-01

ACTION / CONCURRENCE / COMMENT DUE BY: 11-21-01 4:00 PM

ENROLLED BILL H.R. 2620 - DEPARTMENTS OF VETERANS AFFAIRS AND
HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES

Subject: APPROPRIATIONS ACT, FY 2002

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT <i>concur</i>	☒	☐	HUBBARD <i>concur</i>	☒	☐
CARD <i>de</i>	☒	☐	HUGHES	☒	☐
BLAKEMAN	☐	☐	IRASTORZA	☐	☐
BOLTEN <i>Mc</i>	☒	☐	JOHNSON	☐	☐
CALIO <i>(OK)</i>	☒	☐	LINDSEY <i>OK</i>	☒	☐
CONNAUGHTON	☐	☐	MIERS	☐	☐
DANIELS	☐	☒	RICE	☐	☐
FLEISCHER	☒	☐	RIDGE	☐	☐
GERSON	☐	☐	ROVE <i>Mc</i>	☒	☐
GONZALES	☒	☐	SPELLINGS <i>✓</i>	☒	☐
HAGIN	☐	☐	CLERK	☐	☒
HAWKINS	☒	☐	_____	☐	☐

REMARKS:

Please forward comments directly to Staff Secretary, x62702, no later than 4:00 p.m.,
Wednesday, November 21, 2001. Thanks.

RESPONSE:

Harriet E. Miers
Assistant to the President
and Staff Secretary
Ext. 62702

WHITE HOUSE STAFFING MEMORANDUMDate: 11-20-01 ACTION / CONCURRENCE / COMMENT DUE BY: 11-21-01 4:00 PM

ENROLLED BILL H.R. 2620 - DEPARTMENTS OF VETERANS AFFAIRS AND
HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES
Subject: APPROPRIATIONS ACT, FY 2002

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☒	☐	HUBBARD	☒	☐
CARD	☒	☐	HUGHES	☒	☐
BLAKEMAN	☐	☐	IRASTORZA	☐	☐
BOLTEN	☒	☐	JOHNSON	☐	☐
CALIO	☒	☐	LINDSEY	☒	☐
CONNAUGHTON	☐	☐	MIERS	☐	☐
DANIELS	☐	☒	RICE	☐	☐
FLEISCHER	☒	☐	RIDGE	☐	☐
GERSON	☐	☐	ROVE	☒	☐
GONZALES	☒	☐	SPELLINGS	☒	☐
HAGIN	☐	☐	CLERK	☐	☒
HAWKINS	☒	☐	_____	☐	☐

REMARKS:

Please forward comments directly to Staff Secretary, x62702, no later than 4:00 p.m.,
Wednesday, November 21, 2001. Thanks.

RESPONSE:

Harriet E. Miers
Assistant to the President
and Staff Secretary
Ext. 62702



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

THE DIRECTOR

November 20, 2001

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill H.R. 2620 -- Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, FY 2002

Sponsors: Representative Walsh (R), New York
Senator Mikulski (D), Maryland

Last Day for Action

November 27, 2001 -- Tuesday

Funding for the agencies and accounts covered by the enrolled bill is currently provided under H.J. Res. 74, the fifth FY 2002 Continuing Resolution, which will expire at midnight on Friday, December 7th.

Purpose

Provides FY 2002 appropriations for the Departments of Housing and Urban Development (HUD) and Veterans Affairs (VA), the Environmental Protection Agency (EPA), the National Aeronautics and Space Administration (NASA), the Federal Emergency Management Agency (FEMA), the National Science Foundation (NSF), and a number of smaller agencies.

Agency Recommendations

Office of Management and Budget

Approval (Signing Statement attached)

Department of Housing and Urban Development

Approval (Assumed)

Department of Veterans Affairs

Approval (Assumed)

Environmental Protection Agency

Approval (Assumed)

National Aeronautics and Space Administration

Approval (Assumed)

Federal Emergency Management Administration

Approval (Assumed)

National Science Foundation

Approval (Assumed)

Corporation for National and Community Service

Approval (Assumed)

Discussion

The VA/HUD/Independent Agencies enrolled bill provides a total of \$85.3 billion in FY 2002 discretionary budget authority, \$2.1 billion over your request and \$4.6 billion over the FY 2001 enacted level. The bill is funded within its 302(b) allocation. However, to stay within the allocation it includes a rescission of \$1.2 billion in HUD Section 8 unobligated balances, \$4.2 billion in HUD advance appropriations, and \$1.5 billion in contingent emergency funding for FEMA Disaster Relief. The conference report on H.R. 2620 was passed by the House 401 to 18 and by the Senate 87 to 7. We will continue to work with the Congress to ensure the policy and program content of each of the thirteen appropriations bills is acceptable to you and that the bill totals are within the recently agreed upon aggregate funding level of \$686 billion.

The enrolled bill provides most of your requested funding for housing assistance and community development programs. It also more than meets the funding requirements to improve benefits and services to our Nation's veterans. The enrolled bill provides sufficient funding to continue valuable space and earth science and aerospace programs at NASA, continues investments in research and science at the National Science Foundation, improves EPA's ability to be more effective in addressing the Nation's most pressing environmental quality needs, and addresses unforeseen funding requirements for the Federal Emergency Management Agency.

Presidential Initiatives

The enrolled bill addresses your FY 2002 requests for several key initiatives. The Veterans Affairs Duty to Assist initiative to improve performance in claims processing and assist veterans with their claims is fully funded at \$955 million. The National Science Foundation Math and Science Partnerships initiative, which provides funds for States to join with institutions of higher education in strengthening math and science education in grades K-12, receives \$160 million of the \$200 million you requested. The bill provides \$50 million of the \$200 million you requested for HUD's Down Payment Assistance initiative to assist low-income families with a down payment on their first home.

Department of Housing and Urban Development

The final version of the bill provides \$30 billion for the Department of Housing and Urban Development, \$425 million below your request and \$1.5 billion over the FY 2001 enacted level. Your FY 2002 Budget request focused on improving HUD's performance by funding those programs that are at the heart of its housing and community revitalization mission and proposed terminating programs that fall outside that mission.

As you requested, the enrolled bill renews all expiring rental assistance contracts to assist low income renters at a cost of \$15.1 billion. The bill also funds \$144 million of the \$197 million requested for additional low-income housing vouchers. Community Development Block Grants (CDBG) is funded \$5.0 billion, \$198 million over your request, and \$113 million below the FY 2001 enacted level. The enrolled bill also provides your requests of \$277 million for the Housing Opportunities for Persons with AIDS program and \$110 million for Lead Hazard

Reduction. Congress agreed with your request to eliminate funding for the underperforming Public Housing Drug Elimination Grants program.

As you requested, the final version of the bill provides authorization of a popular new loan type, hybrid adjustable-rate mortgages, which will increase demand for FHA-guaranteed loans. The bill also provides your requested increases in FHA receipts by raising premiums for some specialized FHA programs (e.g., condominium, rehabilitation, and multifamily loans), requiring all single-family FHA borrowers to pay the same premium rates and eliminating the Government subsidy.

Department of Veterans Affairs

The enrolled bill funds Veterans Affairs at \$23.8 billion, \$447 million over your request, and \$1.4 billion over the FY 2001 enacted level. The bill provides \$21.3 billion to VA Medical Care, \$351 million over your request and \$1.1 billion over the FY 2001 enacted level. Medical and Prosthetic Research is funded at \$371 million, slightly above your request. The enrolled bill contains language that would prevent VA from implementing your initiative to ensure that all military retirees annually choose either VA or DoD as their health care provider. Implementation of this initiative would enhance quality and continuity of care, and prevent duplication of services and costs.

Environmental Protection Agency (EPA)

The enrolled bill funds EPA at \$7.9 billion, \$590 million above your request and \$92 million over the FY 2001 enacted level. The bill provides \$3.9 billion, \$157 million over your request and \$44 million over the FY 2001 enacted level for the Operating Program. The Operating Program consists of EPA's core regulatory, research, and enforcement activities and State program grants. The bill provides \$3.7 billion for State and Tribal Assistance Grants, \$444 million above your request and \$112 million over the FY 2001 enacted level. Superfund is funded at \$1.27 billion, roughly equal to your request.

The enrolled bill adopts the language passed by the House prohibiting a delay in setting new drinking water standards for arsenic to include the standard of 10 parts per billion. However, there is report language stating that "the Congress and the Administration must act swiftly to provide both the time and the means for many small communities to meet the 10 parts per billion standard." The Administration is directed to provide a report to the Congress by March 1, 2002, that addresses affordability and compliance concerns of smaller communities.

Federal Emergency Management Agency (FEMA)

The enrolled bill provides \$2.1 billion for FEMA Disaster Relief, \$745 million over your request and \$518 million over the FY 2001 enacted level. However, \$1.5 billion of these funds is designated as contingent emergency funding. Base (non-emergency) funding is funded at \$664 million, \$702 million below your request. The bill provides \$413 million for Emergency Management Planning and Assistance, \$75 million over your request and \$61 million over the

FY 2001 enacted level. The bill also funds the Fire Grants program at \$150 million, \$50 million above your request. The enrolled bill provides the \$140 million you requested for the Emergency Food and Shelter Program.

National Aeronautics and Space Administration (NASA)

The conference bill provides \$14.8 billion for NASA, \$281 million above your request and \$539 million over the FY 2001 enacted level. The bill fully funds or almost fully funds priority science and technology programs at NASA, including the next decade of Mars missions, lower-cost space transportation, and astrophysics and climate change research. The International Space Station is funded at \$1.73 billion, \$75 million below your request and \$101 million below the FY 2001 enacted level. The bill, however, includes over 130 unrequested projects totaling over \$530 million, including funding for museums, planetariums, corporate jets, libraries, automobile engines, and college dormitories.

National Science Foundation (NSF)

The bill provides \$4.8 billion for NSF, \$317 million above your request and \$372 million over the FY 2001 enacted level. The bill provides \$3.6 billion for Research and Related Activities, \$271 million over your request and \$255 million over the FY 2001 enacted level. The bill also includes \$875 million for Education and Human Resources, \$3 million over your request and \$90 million over the FY 2001 enacted level.

Corporation for National and Community Service (CNCS)

The bill provides \$407 million for CNCS programs, \$9 million below your request and \$55 million below the FY 2001 enacted level.

Earmarked Funding

The Budget encouraged the Congress to reduce earmarking of appropriated funds to enhance programs ability to meet broad programmatic goals. Unfortunately, this bill increased the number of earmarks by approximately twelve percent.

Infringement on Executive Authority

There are several provisions in the enrolled bill that would require Committee approval before Executive Branch execution. The Administration has made it clear to the Congress, however, that we will interpret these provisions to require only notification of the Congress since any other interpretation would contradict the Supreme Court ruling in INS v. Chadha.

Recommendation

On balance, the enrolled bill provides adequate funding for your major initiatives and does not include a large number of objectionable legislative provisions. The enrolled bill also abides by the agreed upon funding level for FY 2002 of \$686 billion. I join with the heads of the affected Departments and agencies in recommending that you sign H.R. 2620. A signing statement is attached for your consideration.

Sincerely,

A handwritten signature in cursive script, appearing to read "Mitch Daniels".

Mitchell E. Daniels, Jr.
Director

Attachment

STATEMENT BY THE PRESIDENT

Today I have signed into law H.R. 2620, the "Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2002."

I appreciate the bipartisan effort that has gone into producing this Act. The bill abides by the agreed upon aggregate funding level for Fiscal Year 2002 of \$686 billion and supports several of my Administration's key initiatives with:

- \$955 million for the Veterans Affairs Duty to Assist initiative to improve performance in claims processing and assist veterans with their claims;
- \$160 million for the National Science Foundation Math and Science Partnerships initiative, which provides funds for States to join with institutions of higher education in strengthening math and science education in grades K-12; and,
- \$50 million for the Housing and Urban Development Down Payment Assistance initiative that assists low-income families with the down payment on their first home.

However, I am disappointed that several additional initiatives I have proposed did not receive funding or authorization to proceed. These include the Community Technology Centers and Improving Access programs in HUD, the Silver Scholarships and Veterans Mission for Youth programs under the Corporation for National and Community Service, and the VA/DoD Medical Care Choice Initiative.

The Silver Scholarship Program would have provided Silver Scholarships to 10,000 older Americans who volunteer 500 hours of service tutoring and mentoring students in after-school programs. Each \$1,000 scholarship could be deposited in an education savings account for use by seniors' children, grandchildren, or another child. The Veterans Mission for Youth program would have provided matching grants to community organizations that connect veterans and retired military personnel with America's youth through mentoring, tutoring, after-school, and other programs.

The VA/DoD Medical Care Choice Initiative would ensure that all military retirees annually choose either the Department of Defense or the Department of Veterans Affairs as their health care provider. This would enhance quality and continuity of care, and prevent duplication of services and costs.

Several provisions in the bill purport to require congressional approval before executive branch execution of aspects of the bill. We will interpret such provisions to require notification only, since any other interpretation would contradict the Supreme Court ruling in INS v. Chadha.

WHITE HOUSE STAFFING MEMORANDUM

Date: 11-20-01ACTION / CONCURRENCE / COMMENT DUE BY: 11-21-01 4:00 PMENROLLED BILL H.R. 2620 - DEPARTMENTS OF VETERANS AFFAIRS AND
HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIESSubject: APPROPRIATIONS ACT, FY 2002

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☒	☐	HUBBARD	☒	☐
CARD	☒	☐	HUGHES	☒	☐
BLAKEMAN	☐	☐	IRASTORZA	☐	☐
BOLTEN	☒	☐	JOHNSON	☐	☐
CALIO	☒	☐	LINDSEY	☒	☐
CONNAUGHTON	☐	☐	MIERS	☐	☐
DANIELS	☐	☒	RICE	☐	☐
FLEISCHER	☒	☐	RIDGE	☐	☐
GERSON	☐	☐	~~ROWE~~	☒	☐
GONZALES	☒	☐	SPELLINGS	☒	☐
HAGIN	☐	☐	CLERK	☐	☒
HAWKINS	☒	☐	_____	☐	☐

REMARKS:

Please forward comments directly to Staff Secretary, x62702, no later than 4:00 p.m.,
Wednesday, November 21, 2001. Thanks.

No comment

RESPONSE:

EXEC. OFC. PRESIDENT
WH STRATEGIC INITIATIVES

2001 NOV 21 AM 6:27

Harriet E. Miers
Assistant to the President
and Staff Secretary
Ext. 62702

WHITE HOUSE STAFFING MEMORANDUM

Date: 11-20-01ACTION / CONCURRENCE / COMMENT DUE BY: 11-21-01 4:00 PM

ENROLLED BILL H.R. 2620 - DEPARTMENTS OF VETERANS AFFAIRS AND
HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES

Subject: APPROPRIATIONS ACT, FY 2002

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☒	☐	HUBBARD	☒	☐
CARD	☒	☐	HUGHES	☒	☐
BLAKEMAN	☐	☐	IRASTORZA	☐	☐
BOLTEN	☒	☐	JOHNSON	☐	☐
CALIO	☒	☐	LINDSEY	☒	☐
CONNAUGHTON	☐	☐	MIERS	☐	☐
DANIELS	☐	☒	RICE	☐	☐
FLEISCHER	☒	☐	RIDGE	☐	☐
GERSON	☐	☐	ROVE	☒	☐
GONZALES	☒	☐	SPELLINGS	☒	☐
HAGIN	☐	☐	CLERK	☐	☒
HAWKINS	☒	☐	_____	☐	☐

REMARKS:

Please forward comments directly to Staff Secretary, x62702, no later than 4:00 p.m.,
Wednesday, November 21, 2001. Thanks.

RESPONSE:

M
AK

Harriet E. Miers
Assistant to the President
and Staff Secretary
Ext. 62702



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

01 NOV 22 1981

THE DIRECTOR

November 20, 2001

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill H.R. 2620 -- Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, FY 2002

Sponsors: Representative Walsh (R), New York
Senator Mikulski (D), Maryland

Last Day for Action

November 27, 2001 -- Tuesday

Funding for the agencies and accounts covered by the enrolled bill is currently provided under H.J. Res. 74, the fifth FY 2002 Continuing Resolution, which will expire at midnight on Friday, December 7th.

Purpose

Provides FY 2002 appropriations for the Departments of Housing and Urban Development (HUD) and Veterans Affairs (VA), the Environmental Protection Agency (EPA), the National Aeronautics and Space Administration (NASA), the Federal Emergency Management Agency (FEMA), the National Science Foundation (NSF), and a number of smaller agencies.

Agency Recommendations

Office of Management and Budget

Approval (Signing Statement attached)

Department of Housing and Urban Development

Approval (Assumed)

Department of Veterans Affairs

Approval (Assumed)

Environmental Protection Agency

Approval (Assumed)

National Aeronautics and Space Administration

Approval (Assumed)

Federal Emergency Management Administration

Approval (Assumed)

National Science Foundation

Approval (Assumed)

Corporation for National and Community Service

Approval (Assumed)

Discussion

The VA/HUD/Independent Agencies enrolled bill provides a total of \$85.3 billion in FY 2002 discretionary budget authority, \$2.1 billion over your request and \$4.6 billion over the FY 2001 enacted level. The bill is funded within its 302(b) allocation. However, to stay within the allocation it includes a rescission of \$1.2 billion in HUD Section 8 unobligated balances, \$4.2 billion in HUD advance appropriations, and \$1.5 billion in contingent emergency funding for FEMA Disaster Relief. The conference report on H.R. 2620 was passed by the House 401 to 18 and by the Senate 87 to 7. We will continue to work with the Congress to ensure the policy and program content of each of the thirteen appropriations bills is acceptable to you and that the bill totals are within the recently agreed upon aggregate funding level of \$686 billion.

The enrolled bill provides most of your requested funding for housing assistance and community development programs. It also more than meets the funding requirements to improve benefits and services to our Nation's veterans. The enrolled bill provides sufficient funding to continue valuable space and earth science and aerospace programs at NASA, continues investments in research and science at the National Science Foundation, improves EPA's ability to be more effective in addressing the Nation's most pressing environmental quality needs, and addresses unforeseen funding requirements for the Federal Emergency Management Agency.

Presidential Initiatives

The enrolled bill addresses your FY 2002 requests for several key initiatives. The Veterans Affairs Duty to Assist initiative to improve performance in claims processing and assist veterans with their claims is fully funded at \$955 million. The National Science Foundation Math and Science Partnerships initiative, which provides funds for States to join with institutions of higher education in strengthening math and science education in grades K-12, receives \$160 million of the \$200 million you requested. The bill provides \$50 million of the \$200 million you requested for HUD's Down Payment Assistance initiative to assist low-income families with a down payment on their first home.

Department of Housing and Urban Development

The final version of the bill provides \$30 billion for the Department of Housing and Urban Development, \$425 million below your request and \$1.5 billion over the FY 2001 enacted level. Your FY 2002 Budget request focused on improving HUD's performance by funding those programs that are at the heart of its housing and community revitalization mission and proposed terminating programs that fall outside that mission.

As you requested, the enrolled bill renews all expiring rental assistance contracts to assist low income renters at a cost of \$15.1 billion. The bill also funds \$144 million of the \$197 million requested for additional low-income housing vouchers. Community Development Block Grants (CDBG) is funded \$5.0 billion, \$198 million over your request, and \$113 million below the FY 2001 enacted level. The enrolled bill also provides your requests of \$277 million for the Housing Opportunities for Persons with AIDS program and \$110 million for Lead Hazard

Reduction. Congress agreed with your request to eliminate funding for the underperforming Public Housing Drug Elimination Grants program.

As you requested, the final version of the bill provides authorization of a popular new loan type, hybrid adjustable-rate mortgages, which will increase demand for FHA-guaranteed loans. The bill also provides your requested increases in FHA receipts by raising premiums for some specialized FHA programs (e.g., condominium, rehabilitation, and multifamily loans), requiring all single-family FHA borrowers to pay the same premium rates and eliminating the Government subsidy.

Department of Veterans Affairs

The enrolled bill funds Veterans Affairs at \$23.8 billion, \$447 million over your request, and \$1.4 billion over the FY 2001 enacted level. The bill provides \$21.3 billion to VA Medical Care, \$351 million over your request and \$1.1 billion over the FY 2001 enacted level. Medical and Prosthetic Research is funded at \$371 million, slightly above your request. The enrolled bill contains language that would prevent VA from implementing your initiative to ensure that all military retirees annually choose either VA or DoD as their health care provider. Implementation of this initiative would enhance quality and continuity of care, and prevent duplication of services and costs.

Environmental Protection Agency (EPA)

The enrolled bill funds EPA at \$7.9 billion, \$590 million above your request and \$92 million over the FY 2001 enacted level. The bill provides \$3.9 billion, \$157 million over your request and \$44 million over the FY 2001 enacted level for the Operating Program. The Operating Program consists of EPA's core regulatory, research, and enforcement activities and State program grants. The bill provides \$3.7 billion for State and Tribal Assistance Grants, \$444 million above your request and \$112 million over the FY 2001 enacted level. Superfund is funded at \$1.27 billion, roughly equal to your request.

The enrolled bill adopts the language passed by the House prohibiting a delay in setting new drinking water standards for arsenic to include the standard of 10 parts per billion. However, there is report language stating that "the Congress and the Administration must act swiftly to provide both the time and the means for many small communities to meet the 10 parts per billion standard." The Administration is directed to provide a report to the Congress by March 1, 2002, that addresses affordability and compliance concerns of smaller communities.

Federal Emergency Management Agency (FEMA)

The enrolled bill provides \$2.1 billion for FEMA Disaster Relief, \$745 million over your request and \$518 million over the FY 2001 enacted level. However, \$1.5 billion of these funds is designated as contingent emergency funding. Base (non-emergency) funding is funded at \$664 million, \$702 million below your request. The bill provides \$413 million for Emergency Management Planning and Assistance, \$75 million over your request and \$61 million over the

FY 2001 enacted level. The bill also funds the Fire Grants program at \$150 million, \$50 million above your request. The enrolled bill provides the \$140 million you requested for the Emergency Food and Shelter Program.

National Aeronautics and Space Administration (NASA)

The conference bill provides \$14.8 billion for NASA, \$281 million above your request and \$539 million over the FY 2001 enacted level. The bill fully funds or almost fully funds priority science and technology programs at NASA, including the next decade of Mars missions, lower-cost space transportation, and astrophysics and climate change research. The International Space Station is funded at \$1.73 billion, \$75 million below your request and \$101 million below the FY 2001 enacted level. The bill, however, includes over 130 unrequested projects totaling over \$530 million, including funding for museums, planetariums, corporate jets, libraries, automobile engines, and college dormitories.

National Science Foundation (NSF)

The bill provides \$4.8 billion for NSF, \$317 million above your request and \$372 million over the FY 2001 enacted level. The bill provides \$3.6 billion for Research and Related Activities, \$271 million over your request and \$255 million over the FY 2001 enacted level. The bill also includes \$875 million for Education and Human Resources, \$3 million over your request and \$90 million over the FY 2001 enacted level.

Corporation for National and Community Service (CNCS)

The bill provides \$407 million for CNCS programs, \$9 million below your request and \$55 million below the FY 2001 enacted level.

Earmarked Funding

The Budget encouraged the Congress to reduce earmarking of appropriated funds to enhance programs ability to meet broad programmatic goals. Unfortunately, this bill increased the number of earmarks by approximately twelve percent.

Infringement on Executive Authority

There are several provisions in the enrolled bill that would require Committee approval before Executive Branch execution. The Administration has made it clear to the Congress, however, that we will interpret these provisions to require only notification of the Congress since any other interpretation would contradict the Supreme Court ruling in INS v. Chadha.

Recommendation

On balance, the enrolled bill provides adequate funding for your major initiatives and does not include a large number of objectionable legislative provisions. The enrolled bill also abides by the agreed upon funding level for FY 2002 of \$686 billion. I join with the heads of the affected Departments and agencies in recommending that you sign H.R. 2620. A signing statement is attached for your consideration.

Sincerely,

A handwritten signature in dark ink, appearing to read "Mitch Daniels", written in a cursive style.

Mitchell E. Daniels, Jr.
Director

Attachment

STATEMENT BY THE PRESIDENT

Today I have signed into law H.R. 2620, the "Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2002."

I appreciate the bipartisan effort that has gone into producing this Act. The bill abides by the agreed upon aggregate funding level for Fiscal Year 2002 of \$686 billion and supports several of my Administration's key initiatives with:

- \$955 million for the Veterans Affairs Duty to Assist initiative to improve performance in claims processing and assist veterans with their claims;
- \$160 million for the National Science Foundation Math and Science Partnerships initiative, which provides funds for States to join with institutions of higher education in strengthening math and science education in grades K-12; and,
- \$50 million for the Housing and Urban Development Down Payment Assistance initiative that assists low-income families with the down payment on their first home.

However, I am disappointed that several additional initiatives I have proposed did not receive funding or authorization to proceed. These include the Community Technology Centers and Improving Access programs in HUD, the Silver Scholarships and Veterans Mission for Youth programs under the Corporation for National and Community Service, and the VA/DoD Medical Care Choice Initiative.

The Silver Scholarship Program would have provided Silver Scholarships to 10,000 older Americans who volunteer 500 hours of service tutoring and mentoring students in after-school programs. Each \$1,000 scholarship could be deposited in an education savings account for use by seniors' children, grandchildren, or another child. The Veterans Mission for Youth program would have provided matching grants to community organizations that connect veterans and retired military personnel with America's youth through mentoring, tutoring, after-school, and other programs.

The VA/DoD Medical Care Choice Initiative would ensure that all military retirees annually choose either the Department of Defense or the Department of Veterans Affairs as their health care provider. This would enhance quality and continuity of care, and prevent duplication of services and costs.

Several provisions in the bill purport to require congressional approval before executive branch execution of aspects of the bill. We will interpret such provisions to require notification only, since any other interpretation would contradict the Supreme Court ruling in INS v. Chadha.

WHITE HOUSE STAFFING MEMORANDUM

Date: 11-20-01

ACTION / CONCURRENCE / COMMENT DUE BY: 11-21-01 4:00 PM

ENROLLED BILL H.R. 2620 - DEPARTMENTS OF VETERANS AFFAIRS AND
HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES

Subject: APPROPRIATIONS ACT, FY 2002

11/21/01 4:38

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☒	☐	HUBBARD	☒	☐
CARD	☒	☐	HUGHES	☒	☐
BLAKEMAN	☐	☐	IRASTORZA	☐	☐
BOLTEN	☒	☐	JOHNSON	☐	☐
CALIO	☒	☐	LINDSEY	☒	☐
CONNAUGHTON	☐	☐	MIERS	☐	☐
DANIELS	☐	☒	RICE	☐	☐
FLEISCHER	☒	☐	RIDGE	☐	☐
GERSON	☐	☐	ROVE	☒	☐
GONZALES	☒	☐	SPELLINGS	☒	☐
HAGIN	☐	☐	CLERK	☐	☒
HAWKINS	☒	☐		☐	☐

REMARKS:

Please forward comments directly to Staff Secretary, x62702, no later than 4:00 p.m.,
Wednesday, November 21, 2001. Thanks.

RESPONSE:

Harriet E. Miers
Assistant to the President
and Staff Secretary
Ext. 62702

WHITE HOUSE STAFFING MEMORANDUM

Date: 11-20-01

ACTION / CONCURRENCE / COMMENT DUE BY: 11-21-01 4:00 PM

ENROLLED BILL H.R. 2620 - DEPARTMENTS OF VETERANS AFFAIRS AND
HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES

Subject: APPROPRIATIONS ACT, FY 2002

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☒	☐	HUBBARD	☒	☐
CARD	☒	☐	HUGHES	☒	☐
BLAKEMAN	☐	☐	IRASTORZA	☐	☐
BOLTEN	☒	☐	JOHNSON	☐	☐
CALIO	☒	☐	LINDSEY	☒	☐
CONNAUGHTON	☐	☐	MIERS	☐	☐
DANIELS	☐	☒	RICE	☐	☐
FLEISCHER	☒	☐	RIDGE	☐	☐
GERSON	☐	☐	ROVE	☒	☐
GONZALES	☒	☐	SPELLINGS	☒	☐
HAGIN	☐	☐	CLERK	☐	☒
HAWKINS	☒	☐		☐	☐

REMARKS:

Please forward comments directly to Staff Secretary, x62702, no later than 4:00 p.m.,
Wednesday, November 21, 2001. Thanks.

RESPONSE:

Legislative Affairs (Harriet E.) sh

Harriet E. Miers
Assistant to the President
and Staff Secretary
Ext. 62702



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

THE DIRECTOR

November 20, 2001

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill H.R. 2620 -- Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, FY 2002

Sponsors: Representative Walsh (R), New York
Senator Mikulski (D), Maryland

Last Day for Action

November 27, 2001 -- Tuesday

Funding for the agencies and accounts covered by the enrolled bill is currently provided under H.J. Res. 74, the fifth FY 2002 Continuing Resolution, which will expire at midnight on Friday, December 7th.

Purpose

Provides FY 2002 appropriations for the Departments of Housing and Urban Development (HUD) and Veterans Affairs (VA), the Environmental Protection Agency (EPA), the National Aeronautics and Space Administration (NASA), the Federal Emergency Management Agency (FEMA), the National Science Foundation (NSF), and a number of smaller agencies.

Agency Recommendations

Office of Management and Budget

Approval (Signing Statement attached)

Department of Housing and Urban Development

Approval (Assumed)

Department of Veterans Affairs

Approval (Assumed)

Environmental Protection Agency

Approval (Assumed)

National Aeronautics and Space Administration

Approval (Assumed)

Federal Emergency Management Administration

Approval (Assumed)

National Science Foundation

Approval (Assumed)

Corporation for National and Community Service

Approval (Assumed)

Discussion

The VA/HUD/Independent Agencies enrolled bill provides a total of \$85.3 billion in FY 2002 discretionary budget authority, \$2.1 billion over your request and \$4.6 billion over the FY 2001 enacted level. The bill is funded within its 302(b) allocation. However, to stay within the allocation it includes a rescission of \$1.2 billion in HUD Section 8 unobligated balances, \$4.2 billion in HUD advance appropriations, and \$1.5 billion in contingent emergency funding for FEMA Disaster Relief. The conference report on H.R. 2620 was passed by the House 401 to 18 and by the Senate 87 to 7. We will continue to work with the Congress to ensure the policy and program content of each of the thirteen appropriations bills is acceptable to you and that the bill totals are within the recently agreed upon aggregate funding level of \$686 billion.

The enrolled bill provides most of your requested funding for housing assistance and community development programs. It also more than meets the funding requirements to improve benefits and services to our Nation's veterans. The enrolled bill provides sufficient funding to continue valuable space and earth science and aerospace programs at NASA, continues investments in research and science at the National Science Foundation, improves EPA's ability to be more effective in addressing the Nation's most pressing environmental quality needs, and addresses unforeseen funding requirements for the Federal Emergency Management Agency.

Presidential Initiatives

The enrolled bill addresses your FY 2002 requests for several key initiatives. The Veterans Affairs Duty to Assist initiative to improve performance in claims processing and assist veterans with their claims is fully funded at \$955 million. The National Science Foundation Math and Science Partnerships initiative, which provides funds for States to join with institutions of higher education in strengthening math and science education in grades K-12, receives \$160 million of the \$200 million you requested. The bill provides \$50 million of the \$200 million you requested for HUD's Down Payment Assistance initiative to assist low-income families with a down payment on their first home.

Department of Housing and Urban Development

The final version of the bill provides \$30 billion for the Department of Housing and Urban Development, \$425 million below your request and \$1.5 billion over the FY 2001 enacted level. Your FY 2002 Budget request focused on improving HUD's performance by funding those programs that are at the heart of its housing and community revitalization mission and proposed terminating programs that fall outside that mission.

As you requested, the enrolled bill renews all expiring rental assistance contracts to assist low income renters at a cost of \$15.1 billion. The bill also funds \$144 million of the \$197 million requested for additional low-income housing vouchers. Community Development Block Grants (CDBG) is funded \$5.0 billion, \$198 million over your request, and \$113 million below the FY 2001 enacted level. The enrolled bill also provides your requests of \$277 million for the Housing Opportunities for Persons with AIDS program and \$110 million for Lead Hazard

Reduction. Congress agreed with your request to eliminate funding for the underperforming Public Housing Drug Elimination Grants program.

As you requested, the final version of the bill provides authorization of a popular new loan type, hybrid adjustable-rate mortgages, which will increase demand for FHA-guaranteed loans. The bill also provides your requested increases in FHA receipts by raising premiums for some specialized FHA programs (e.g., condominium, rehabilitation, and multifamily loans), requiring all single-family FHA borrowers to pay the same premium rates and eliminating the Government subsidy.

Department of Veterans Affairs

The enrolled bill funds Veterans Affairs at \$23.8 billion, \$447 million over your request, and \$1.4 billion over the FY 2001 enacted level. The bill provides \$21.3 billion to VA Medical Care, \$351 million over your request and \$1.1 billion over the FY 2001 enacted level. Medical and Prosthetic Research is funded at \$371 million, slightly above your request. The enrolled bill contains language that would prevent VA from implementing your initiative to ensure that all military retirees annually choose either VA or DoD as their health care provider. Implementation of this initiative would enhance quality and continuity of care, and prevent duplication of services and costs.

Environmental Protection Agency (EPA)

The enrolled bill funds EPA at \$7.9 billion, \$590 million above your request and \$92 million over the FY 2001 enacted level. The bill provides \$3.9 billion, \$157 million over your request and \$44 million over the FY 2001 enacted level for the Operating Program. The Operating Program consists of EPA's core regulatory, research, and enforcement activities and State program grants. The bill provides \$3.7 billion for State and Tribal Assistance Grants, \$444 million above your request and \$112 million over the FY 2001 enacted level. Superfund is funded at \$1.27 billion, roughly equal to your request.

The enrolled bill adopts the language passed by the House prohibiting a delay in setting new drinking water standards for arsenic to include the standard of 10 parts per billion. However, there is report language stating that "the Congress and the Administration must act swiftly to provide both the time and the means for many small communities to meet the 10 parts per billion standard." The Administration is directed to provide a report to the Congress by March 1, 2002, that addresses affordability and compliance concerns of smaller communities.

Federal Emergency Management Agency (FEMA)

The enrolled bill provides \$2.1 billion for FEMA Disaster Relief, \$745 million over your request and \$518 million over the FY 2001 enacted level. However, \$1.5 billion of these funds is designated as contingent emergency funding. Base (non-emergency) funding is funded at \$664 million, \$702 million below your request. The bill provides \$413 million for Emergency Management Planning and Assistance, \$75 million over your request and \$61 million over the

FY 2001 enacted level. The bill also funds the Fire Grants program at \$150 million, \$50 million above your request. The enrolled bill provides the \$140 million you requested for the Emergency Food and Shelter Program.

National Aeronautics and Space Administration (NASA)

The conference bill provides \$14.8 billion for NASA, \$281 million above your request and \$539 million over the FY 2001 enacted level. The bill fully funds or almost fully funds priority science and technology programs at NASA, including the next decade of Mars missions, lower-cost space transportation, and astrophysics and climate change research. The International Space Station is funded at \$1.73 billion, \$75 million below your request and \$101 million below the FY 2001 enacted level. The bill, however, includes over 130 unrequested projects totaling over \$530 million, including funding for museums, planetariums, corporate jets, libraries, automobile engines, and college dormitories.

National Science Foundation (NSF)

The bill provides \$4.8 billion for NSF, \$317 million above your request and \$372 million over the FY 2001 enacted level. The bill provides \$3.6 billion for Research and Related Activities, \$271 million over your request and \$255 million over the FY 2001 enacted level. The bill also includes \$875 million for Education and Human Resources, \$3 million over your request and \$90 million over the FY 2001 enacted level.

Corporation for National and Community Service (CNCS)

The bill provides \$407 million for CNCS programs, \$9 million below your request and \$55 million below the FY 2001 enacted level.

Earmarked Funding

The Budget encouraged the Congress to reduce earmarking of appropriated funds to enhance programs ability to meet broad programmatic goals. Unfortunately, this bill increased the number of earmarks by approximately twelve percent.

Infringement on Executive Authority

There are several provisions in the enrolled bill that would require Committee approval before Executive Branch execution. The Administration has made it clear to the Congress, however, that we will interpret these provisions to require only notification of the Congress since any other interpretation would contradict the Supreme Court ruling in INS v. Chadha.

Recommendation

On balance, the enrolled bill provides adequate funding for your major initiatives and does not include a large number of objectionable legislative provisions. The enrolled bill also abides by the agreed upon funding level for FY 2002 of \$686 billion. I join with the heads of the affected Departments and agencies in recommending that you sign H.R. 2620. A signing statement is attached for your consideration.

Sincerely,

A handwritten signature in cursive script, appearing to read "Mitch Daniels".

Mitchell E. Daniels, Jr.
Director

Attachment

STATEMENT BY THE PRESIDENT

Today I have signed into law H.R. 2620, the "Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2002."

I appreciate the bipartisan effort that has gone into producing this Act. The bill abides by the agreed upon aggregate funding level for Fiscal Year 2002 of \$686 billion and supports several of my Administration's key initiatives with:

- \$955 million for the Veterans Affairs Duty to Assist initiative to improve performance in claims processing and assist veterans with their claims;
- \$160 million for the National Science Foundation Math and Science Partnerships initiative, which provides funds for States to join with institutions of higher education in strengthening math and science education in grades K-12; and,
- \$50 million for the Housing and Urban Development Down Payment Assistance initiative that assists low-income families with the down payment on their first home.

However, I am disappointed that several additional initiatives I have proposed did not receive funding or authorization to proceed. These include the Community Technology Centers and Improving Access programs in HUD, the Silver Scholarships and Veterans Mission for Youth programs under the Corporation for National and Community Service, and the VA/DoD Medical Care Choice Initiative.

The Silver Scholarship Program would have provided Silver Scholarships to 10,000 older Americans who volunteer 500 hours of service tutoring and mentoring students in after-school programs. Each \$1,000 scholarship could be deposited in an education savings account for use by seniors' children, grandchildren, or another child. The Veterans Mission for Youth program would have provided matching grants to community organizations that connect veterans and retired military personnel with America's youth through mentoring, tutoring, after-school, and other programs.

The VA/DoD Medical Care Choice Initiative would ensure that all military retirees annually choose either the Department of Defense or the Department of Veterans Affairs as their health care provider. This would enhance quality and continuity of care, and prevent duplication of services and costs.

Several provisions in the bill purport to require congressional approval before executive branch execution of aspects of the bill. We will interpret such provisions to require notification only, since any other interpretation would contradict the Supreme Court ruling in INS v. Chadha.



'01 NOV 21 PM 1:35

OFFICE OF THE VICE PRESIDENT
WASHINGTON

November 21, 2001

MEMORANDUM FOR HARRIET MIERS
STAFF SECRETARY

FROM: JONATHAN BURKS 
DEPUTY STAFF SECRETARY TO THE VICE PRESIDENT

SUBJECT: Enrolled Bill – H.R. 2620 – Departments of Veterans
Affairs and Housing and Urban Development, and
Independent Agencies Appropriations Act, FY 2002

The Office of the Vice President has reviewed the above-referenced draft and concurs in the recommendation to sign the enrolled bill and to issue the proposed signing statement.

WHITE HOUSE STAFFING MEMORANDUM

Date: 11-20-01 ACTION / CONCURRENCE / COMMENT DUE BY: 11-21-01 4:00 PMENROLLED BILL H.R. 2620 - DEPARTMENTS OF VETERANS AFFAIRS AND
HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIESSubject: APPROPRIATIONS ACT, FY 2002

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☒	☐	HUBBARD	☒	☐
CARD	☒	☐	HUGHES	☒	☐
BLAKEMAN	☐	☐	IRASTORZA	☐	☐
BOLTEN	☒	☐	JOHNSON	☐	☐
CALIO	☒	☐	LINDSEY	☒	☐
CONNAUGHTON	☐	☐	MIERS	☐	☐
DANIELS	☐	☒	RICE	☐	☐
FLEISCHER	☒	☐	RIDGE	☐	☐
GERSON	☐	☐	ROVE	☒	☐
GONZALES	☒	☐	SPELLINGS	☒	☐
HAGIN	☐	☐	CLERK	☐	☒
HAWKINS	☒	☐		☐	☐

REMARKS:

Please forward comments directly to Staff Secretary, x62702, no later than 4:00 p.m.,
Wednesday, November 21, 2001. Thanks.

OK-NEC

RESPONSE:

Harriet E. Miers
Assistant to the President
and Staff Secretary
Ext. 62702



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

THE DIRECTOR

November 20, 2001

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill H.R. 2620 -- Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, FY 2002

Sponsors: Representative Walsh (R), New York
Senator Mikulski (D), Maryland

Last Day for Action

November 27, 2001 -- Tuesday

Funding for the agencies and accounts covered by the enrolled bill is currently provided under H.J. Res. 74, the fifth FY 2002 Continuing Resolution, which will expire at midnight on Friday, December 7th.

Purpose

Provides FY 2002 appropriations for the Departments of Housing and Urban Development (HUD) and Veterans Affairs (VA), the Environmental Protection Agency (EPA), the National Aeronautics and Space Administration (NASA), the Federal Emergency Management Agency (FEMA), the National Science Foundation (NSF), and a number of smaller agencies.

Agency Recommendations

Office of Management and Budget

Approval (Signing Statement attached)

Department of Housing and Urban Development

Approval (Assumed)

Department of Veterans Affairs

Approval (Assumed)

Environmental Protection Agency

Approval (Assumed)

National Aeronautics and Space Administration

Approval (Assumed)

Federal Emergency Management Administration

Approval (Assumed)

National Science Foundation

Approval (Assumed)

Corporation for National and Community Service

Approval (Assumed)

Discussion

The VA/HUD/Independent Agencies enrolled bill provides a total of \$85.3 billion in FY 2002 discretionary budget authority, \$2.1 billion over your request and \$4.6 billion over the FY 2001 enacted level. The bill is funded within its 302(b) allocation. However, to stay within the allocation it includes a rescission of \$1.2 billion in HUD Section 8 unobligated balances, \$4.2 billion in HUD advance appropriations, and \$1.5 billion in contingent emergency funding for FEMA Disaster Relief. The conference report on H.R. 2620 was passed by the House 401 to 18 and by the Senate 87 to 7. We will continue to work with the Congress to ensure the policy and program content of each of the thirteen appropriations bills is acceptable to you and that the bill totals are within the recently agreed upon aggregate funding level of \$686 billion.

The enrolled bill provides most of your requested funding for housing assistance and community development programs. It also more than meets the funding requirements to improve benefits and services to our Nation's veterans. The enrolled bill provides sufficient funding to continue valuable space and earth science and aerospace programs at NASA, continues investments in research and science at the National Science Foundation, improves EPA's ability to be more effective in addressing the Nation's most pressing environmental quality needs, and addresses unforeseen funding requirements for the Federal Emergency Management Agency.

Presidential Initiatives

The enrolled bill addresses your FY 2002 requests for several key initiatives. The Veterans Affairs Duty to Assist initiative to improve performance in claims processing and assist veterans with their claims is fully funded at \$955 million. The National Science Foundation Math and Science Partnerships initiative, which provides funds for States to join with institutions of higher education in strengthening math and science education in grades K-12, receives \$160 million of the \$200 million you requested. The bill provides \$50 million of the \$200 million you requested for HUD's Down Payment Assistance initiative to assist low-income families with a down payment on their first home.

Department of Housing and Urban Development

The final version of the bill provides \$30 billion for the Department of Housing and Urban Development, \$425 million below your request and \$1.5 billion over the FY 2001 enacted level. Your FY 2002 Budget request focused on improving HUD's performance by funding those programs that are at the heart of its housing and community revitalization mission and proposed terminating programs that fall outside that mission.

As you requested, the enrolled bill renews all expiring rental assistance contracts to assist low income renters at a cost of \$15.1 billion. The bill also funds \$144 million of the \$197 million requested for additional low-income housing vouchers. Community Development Block Grants (CDBG) is funded \$5.0 billion, \$198 million over your request, and \$113 million below the FY 2001 enacted level. The enrolled bill also provides your requests of \$277 million for the Housing Opportunities for Persons with AIDS program and \$110 million for Lead Hazard

Reduction. Congress agreed with your request to eliminate funding for the underperforming Public Housing Drug Elimination Grants program.

As you requested, the final version of the bill provides authorization of a popular new loan type, hybrid adjustable-rate mortgages, which will increase demand for FHA-guaranteed loans. The bill also provides your requested increases in FHA receipts by raising premiums for some specialized FHA programs (e.g., condominium, rehabilitation, and multifamily loans), requiring all single-family FHA borrowers to pay the same premium rates and eliminating the Government subsidy.

Department of Veterans Affairs

The enrolled bill funds Veterans Affairs at \$23.8 billion, \$447 million over your request, and \$1.4 billion over the FY 2001 enacted level. The bill provides \$21.3 billion to VA Medical Care, \$351 million over your request and \$1.1 billion over the FY 2001 enacted level. Medical and Prosthetic Research is funded at \$371 million, slightly above your request. The enrolled bill contains language that would prevent VA from implementing your initiative to ensure that all military retirees annually choose either VA or DoD as their health care provider. Implementation of this initiative would enhance quality and continuity of care, and prevent duplication of services and costs.

Environmental Protection Agency (EPA)

The enrolled bill funds EPA at \$7.9 billion, \$590 million above your request and \$92 million over the FY 2001 enacted level. The bill provides \$3.9 billion, \$157 million over your request and \$44 million over the FY 2001 enacted level for the Operating Program. The Operating Program consists of EPA's core regulatory, research, and enforcement activities and State program grants. The bill provides \$3.7 billion for State and Tribal Assistance Grants, \$444 million above your request and \$112 million over the FY 2001 enacted level. Superfund is funded at \$1.27 billion, roughly equal to your request.

The enrolled bill adopts the language passed by the House prohibiting a delay in setting new drinking water standards for arsenic to include the standard of 10 parts per billion. However, there is report language stating that "the Congress and the Administration must act swiftly to provide both the time and the means for many small communities to meet the 10 parts per billion standard." The Administration is directed to provide a report to the Congress by March 1, 2002, that addresses affordability and compliance concerns of smaller communities.

Federal Emergency Management Agency (FEMA)

The enrolled bill provides \$2.1 billion for FEMA Disaster Relief, \$745 million over your request and \$518 million over the FY 2001 enacted level. However, \$1.5 billion of these funds is designated as contingent emergency funding. Base (non-emergency) funding is funded at \$664 million, \$702 million below your request. The bill provides \$413 million for Emergency Management Planning and Assistance, \$75 million over your request and \$61 million over the

FY 2001 enacted level. The bill also funds the Fire Grants program at \$150 million, \$50 million above your request. The enrolled bill provides the \$140 million you requested for the Emergency Food and Shelter Program.

National Aeronautics and Space Administration (NASA)

The conference bill provides \$14.8 billion for NASA, \$281 million above your request and \$539 million over the FY 2001 enacted level. The bill fully funds or almost fully funds priority science and technology programs at NASA, including the next decade of Mars missions, lower-cost space transportation, and astrophysics and climate change research. The International Space Station is funded at \$1.73 billion, \$75 million below your request and \$101 million below the FY 2001 enacted level. The bill, however, includes over 130 unrequested projects totaling over \$530 million, including funding for museums, planetariums, corporate jets, libraries, automobile engines, and college dormitories.

National Science Foundation (NSF)

The bill provides \$4.8 billion for NSF, \$317 million above your request and \$372 million over the FY 2001 enacted level. The bill provides \$3.6 billion for Research and Related Activities, \$271 million over your request and \$255 million over the FY 2001 enacted level. The bill also includes \$875 million for Education and Human Resources, \$3 million over your request and \$90 million over the FY 2001 enacted level.

Corporation for National and Community Service (CNCS)

The bill provides \$407 million for CNCS programs, \$9 million below your request and \$55 million below the FY 2001 enacted level.

Earmarked Funding

The Budget encouraged the Congress to reduce earmarking of appropriated funds to enhance programs ability to meet broad programmatic goals. Unfortunately, this bill increased the number of earmarks by approximately twelve percent.

Infringement on Executive Authority

There are several provisions in the enrolled bill that would require Committee approval before Executive Branch execution. The Administration has made it clear to the Congress, however, that we will interpret these provisions to require only notification of the Congress since any other interpretation would contradict the Supreme Court ruling in INS v. Chadha.

Recommendation

On balance, the enrolled bill provides adequate funding for your major initiatives and does not include a large number of objectionable legislative provisions. The enrolled bill also abides by the agreed upon funding level for FY 2002 of \$686 billion. I join with the heads of the affected Departments and agencies in recommending that you sign H.R. 2620. A signing statement is attached for your consideration.

Sincerely,

A handwritten signature in cursive script, appearing to read "Mitch Daniels".

Mitchell E. Daniels, Jr.
Director

Attachment

STATEMENT BY THE PRESIDENT

Today I have signed into law H.R. 2620, the "Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2002."

I appreciate the bipartisan effort that has gone into producing this Act. The bill abides by the agreed upon aggregate funding level for Fiscal Year 2002 of \$686 billion and supports several of my Administration's key initiatives with:

- \$955 million for the Veterans Affairs Duty to Assist initiative to improve performance in claims processing and assist veterans with their claims;
- \$160 million for the National Science Foundation Math and Science Partnerships initiative, which provides funds for States to join with institutions of higher education in strengthening math and science education in grades K-12; and,
- \$50 million for the Housing and Urban Development Down Payment Assistance initiative that assists low-income families with the down payment on their first home.

However, I am disappointed that several additional initiatives I have proposed did not receive funding or authorization to proceed. These include the Community Technology Centers and Improving Access programs in HUD, the Silver Scholarships and Veterans Mission for Youth programs under the Corporation for National and Community Service, and the VA/DoD Medical Care Choice Initiative.

The Silver Scholarship Program would have provided Silver Scholarships to 10,000 older Americans who volunteer 500 hours of service tutoring and mentoring students in after-school programs. Each \$1,000 scholarship could be deposited in an education savings account for use by seniors' children, grandchildren, or another child. The Veterans Mission for Youth program would have provided matching grants to community organizations that connect veterans and retired military personnel with America's youth through mentoring, tutoring, after-school, and other programs.

The VA/DoD Medical Care Choice Initiative would ensure that all military retirees annually choose either the Department of Defense or the Department of Veterans Affairs as their health care provider. This would enhance quality and continuity of care, and prevent duplication of services and costs.

Several provisions in the bill purport to require congressional approval before executive branch execution of aspects of the bill. We will interpret such provisions to require notification only, since any other interpretation would contradict the Supreme Court ruling in INS v. Chadha.

WHITE HOUSE STAFFING MEMORANDUM

Date: 11-20-01

ACTION / CONCURRENCE / COMMENT DUE BY: 11-21-01 4:00 PM

ENROLLED BILL H.R. 2620 - DEPARTMENTS OF VETERANS AFFAIRS AND
HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES

Subject: APPROPRIATIONS ACT, FY 2002

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☒	☐	HUBBARD	☒	☐
CARD	☒	☐	HUGHES	☒	☐
BLAKEMAN	☐	☐	IRASTORZA	☐	☐
BOLTEN	☒	☐	JOHNSON	☐	☐
CALIO	☒	☐	LINDSEY	☒	☐
CONNAUGHTON	☐	☐	MIERS	☐	☐
DANIELS	☐	☒	RICE	☐	☐
FLEISCHER	☒	☐	RIDGE	☐	☐
GERSON	☐	☐	ROVE	☒	☐
GONZALES	☒	☐	SPELLINGS	☒	☐
HAGIN	☐	☐	CLERK	☐	☒
HAWKINS	☒	☐		☐	☐

REMARKS:

Please forward comments directly to Staff Secretary, x62702, no later than 4:00 p.m.,
Wednesday, November 21, 2001. Thanks.

RESPONSE:

No Comments

Harriet E. Miers
Assistant to the President
and Staff Secretary
Ext. 62702

WHITE HOUSE STAFFING MEMORANDUM

Date: 11-20-01 ACTION / CONCURRENCE / COMMENT DUE BY: 11-21-01 4:00 PMENROLLED BILL H.R. 2620 - DEPARTMENTS OF VETERANS AFFAIRS AND
HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIESSubject: APPROPRIATIONS ACT, FY 2002

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☒	☐	HUBBARD	☒	☐
CARD	☒	☐	HUGHES	☒	☐
BLAKEMAN	☐	☐	IRASTORZA	☐	☐
BOLTEN	☒	☐	JOHNSON	☐	☐
CALIO	☒	☐	LINDSEY	☒	☐
CONNAUGHTON	☐	☐	MIERS	☐	☐
DANIELS	☐	☒	RICE	☐	☐
FLEISCHER	☒	☐	RIDGE	☐	☐
GERSON	☐	☐	ROVE	☒	☐
GONZALES	☒	☐	SPELLINGS	☒	☐
HAGIN	☐	☐	CLERK	☐	☒
HAWKINS	☒	☐	_____	☐	☐

REMARKS:

Please forward comments directly to Staff Secretary, x62702, no later than 4:00 p.m.,
Wednesday, November 21, 2001. Thanks.

RESPONSE: _____

Harriet E. Miers
Assistant to the President
and Staff Secretary
Ext. 62702



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

NOV 20 2001

THE DIRECTOR

November 20, 2001

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill H.R. 2620 -- Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, FY 2002

Sponsors: Representative Walsh (R), New York
Senator Mikulski (D), Maryland

Last Day for Action

November 27, 2001 -- Tuesday

Funding for the agencies and accounts covered by the enrolled bill is currently provided under H.J. Res. 74, the fifth FY 2002 Continuing Resolution, which will expire at midnight on Friday, December 7th.

Purpose

Provides FY 2002 appropriations for the Departments of Housing and Urban Development (HUD) and Veterans Affairs (VA), the Environmental Protection Agency (EPA), the National Aeronautics and Space Administration (NASA), the Federal Emergency Management Agency (FEMA), the National Science Foundation (NSF), and a number of smaller agencies.

Agency Recommendations

Office of Management and Budget

Approval (Signing Statement attached)

Department of Housing and Urban Development

Approval (Assumed)

Department of Veterans Affairs

Approval (Assumed)

Environmental Protection Agency

Approval (Assumed)

National Aeronautics and Space Administration

Approval (Assumed)

Federal Emergency Management Administration

Approval (Assumed)

National Science Foundation

Approval (Assumed)

Corporation for National and Community Service

Approval (Assumed)

Discussion

The VA/HUD/Independent Agencies enrolled bill provides a total of \$85.3 billion in FY 2002 discretionary budget authority, \$2.1 billion over your request and \$4.6 billion over the FY 2001 enacted level. The bill is funded within its 302(b) allocation. However, to stay within the allocation it includes a rescission of \$1.2 billion in HUD Section 8 unobligated balances, \$4.2 billion in HUD advance appropriations, and \$1.5 billion in contingent emergency funding for FEMA Disaster Relief. The conference report on H.R. 2620 was passed by the House 401 to 18 and by the Senate 87 to 7. We will continue to work with the Congress to ensure the policy and program content of each of the thirteen appropriations bills is acceptable to you and that the bill totals are within the recently agreed upon aggregate funding level of \$686 billion.

The enrolled bill provides most of your requested funding for housing assistance and community development programs. It also more than meets the funding requirements to improve benefits and services to our Nation's veterans. The enrolled bill provides sufficient funding to continue valuable space and earth science and aerospace programs at NASA, continues investments in research and science at the National Science Foundation, improves EPA's ability to be more effective in addressing the Nation's most pressing environmental quality needs, and addresses unforeseen funding requirements for the Federal Emergency Management Agency.

Presidential Initiatives

The enrolled bill addresses your FY 2002 requests for several key initiatives. The Veterans Affairs Duty to Assist initiative to improve performance in claims processing and assist veterans with their claims is fully funded at \$955 million. The National Science Foundation Math and Science Partnerships initiative, which provides funds for States to join with institutions of higher education in strengthening math and science education in grades K-12, receives \$160 million of the \$200 million you requested. The bill provides \$50 million of the \$200 million you requested for HUD's Down Payment Assistance initiative to assist low-income families with a down payment on their first home.

Department of Housing and Urban Development

The final version of the bill provides \$30 billion for the Department of Housing and Urban Development, \$425 million below your request and \$1.5 billion over the FY 2001 enacted level. Your FY 2002 Budget request focused on improving HUD's performance by funding those programs that are at the heart of its housing and community revitalization mission and proposed terminating programs that fall outside that mission.

As you requested, the enrolled bill renews all expiring rental assistance contracts to assist low income renters at a cost of \$15.1 billion. The bill also funds \$144 million of the \$197 million requested for additional low-income housing vouchers. Community Development Block Grants (CDBG) is funded \$5.0 billion, \$198 million over your request, and \$113 million below the FY 2001 enacted level. The enrolled bill also provides your requests of \$277 million for the Housing Opportunities for Persons with AIDS program and \$110 million for Lead Hazard

Reduction. Congress agreed with your request to eliminate funding for the underperforming Public Housing Drug Elimination Grants program.

As you requested, the final version of the bill provides authorization of a popular new loan type, hybrid adjustable-rate mortgages, which will increase demand for FHA-guaranteed loans. The bill also provides your requested increases in FHA receipts by raising premiums for some specialized FHA programs (e.g., condominium, rehabilitation, and multifamily loans), requiring all single-family FHA borrowers to pay the same premium rates and eliminating the Government subsidy.

Department of Veterans Affairs

The enrolled bill funds Veterans Affairs at \$23.8 billion, \$447 million over your request, and \$1.4 billion over the FY 2001 enacted level. The bill provides \$21.3 billion to VA Medical Care, \$351 million over your request and \$1.1 billion over the FY 2001 enacted level. Medical and Prosthetic Research is funded at \$371 million, slightly above your request. The enrolled bill contains language that would prevent VA from implementing your initiative to ensure that all military retirees annually choose either VA or DoD as their health care provider. Implementation of this initiative would enhance quality and continuity of care, and prevent duplication of services and costs.

Environmental Protection Agency (EPA)

The enrolled bill funds EPA at \$7.9 billion, \$590 million above your request and \$92 million over the FY 2001 enacted level. The bill provides \$3.9 billion, \$157 million over your request and \$44 million over the FY 2001 enacted level for the Operating Program. The Operating Program consists of EPA's core regulatory, research, and enforcement activities and State program grants. The bill provides \$3.7 billion for State and Tribal Assistance Grants, \$444 million above your request and \$112 million over the FY 2001 enacted level. Superfund is funded at \$1.27 billion, roughly equal to your request.

The enrolled bill adopts the language passed by the House prohibiting a delay in setting new drinking water standards for arsenic to include the standard of 10 parts per billion. However, there is report language stating that "the Congress and the Administration must act swiftly to provide both the time and the means for many small communities to meet the 10 parts per billion standard." The Administration is directed to provide a report to the Congress by March 1, 2002, that addresses affordability and compliance concerns of smaller communities.

Federal Emergency Management Agency (FEMA)

The enrolled bill provides \$2.1 billion for FEMA Disaster Relief, \$745 million over your request and \$518 million over the FY 2001 enacted level. However, \$1.5 billion of these funds is designated as contingent emergency funding. Base (non-emergency) funding is funded at \$664 million, \$702 million below your request. The bill provides \$413 million for Emergency Management Planning and Assistance, \$75 million over your request and \$61 million over the

FY 2001 enacted level. The bill also funds the Fire Grants program at \$150 million, \$50 million above your request. The enrolled bill provides the \$140 million you requested for the Emergency Food and Shelter Program.

National Aeronautics and Space Administration (NASA)

The conference bill provides \$14.8 billion for NASA, \$281 million above your request and \$539 million over the FY 2001 enacted level. The bill fully funds or almost fully funds priority science and technology programs at NASA, including the next decade of Mars missions, lower-cost space transportation, and astrophysics and climate change research. The International Space Station is funded at \$1.73 billion, \$75 million below your request and \$101 million below the FY 2001 enacted level. The bill, however, includes over 130 unrequested projects totaling over \$530 million, including funding for museums, planetariums, corporate jets, libraries, automobile engines, and college dormitories.

National Science Foundation (NSF)

The bill provides \$4.8 billion for NSF, \$317 million above your request and \$372 million over the FY 2001 enacted level. The bill provides \$3.6 billion for Research and Related Activities, \$271 million over your request and \$255 million over the FY 2001 enacted level. The bill also includes \$875 million for Education and Human Resources, \$3 million over your request and \$90 million over the FY 2001 enacted level.

Corporation for National and Community Service (CNCS)

The bill provides \$407 million for CNCS programs, \$9 million below your request and \$55 million below the FY 2001 enacted level.

Earmarked Funding

The Budget encouraged the Congress to reduce earmarking of appropriated funds to enhance programs ability to meet broad programmatic goals. Unfortunately, this bill increased the number of earmarks by approximately twelve percent.

Infringement on Executive Authority

There are several provisions in the enrolled bill that would require Committee approval before Executive Branch execution. The Administration has made it clear to the Congress, however, that we will interpret these provisions to require only notification of the Congress since any other interpretation would contradict the Supreme Court ruling in INS v. Chadha.

Recommendation

On balance, the enrolled bill provides adequate funding for your major initiatives and does not include a large number of objectionable legislative provisions. The enrolled bill also abides by the agreed upon funding level for FY 2002 of \$686 billion. I join with the heads of the affected Departments and agencies in recommending that you sign H.R. 2620. A signing statement is attached for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Mitch Daniels", written in a cursive style.

Mitchell E. Daniels, Jr.
Director

Attachment

STATEMENT BY THE PRESIDENT

Today I have signed into law H.R. 2620, the "Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2002."

I appreciate the bipartisan effort that has gone into producing this Act. The bill abides by the agreed upon aggregate funding level for Fiscal Year 2002 of \$686 billion and supports several of my Administration's key initiatives with:

- \$955 million for the Veterans Affairs Duty to Assist initiative to improve performance in claims processing and assist veterans with their claims;
- \$160 million for the National Science Foundation Math and Science Partnerships initiative, which provides funds for States to join with institutions of higher education in strengthening math and science education in grades K-12; and,
- \$50 million for the Housing and Urban Development Down Payment Assistance initiative that assists low-income families with the down payment on their first home.

However, I am disappointed that several additional initiatives I have proposed did not receive funding or authorization to proceed. These include the Community Technology Centers and Improving Access programs in HUD, the Silver Scholarships and Veterans Mission for Youth programs under the Corporation for National and Community Service, and the VA/DoD Medical Care Choice Initiative.

The Silver Scholarship Program would have provided Silver Scholarships to 10,000 older Americans who volunteer 500 hours of service tutoring and mentoring students in after-school programs. Each \$1,000 scholarship could be deposited in an education savings account for use by seniors' children, grandchildren, or another child. The Veterans Mission for Youth program would have provided matching grants to community organizations that connect veterans and retired military personnel with America's youth through mentoring, tutoring, after-school, and other programs.

The VA/DoD Medical Care Choice Initiative would ensure that all military retirees annually choose either the Department of Defense or the Department of Veterans Affairs as their health care provider. This would enhance quality and continuity of care, and prevent duplication of services and costs.

Several provisions in the bill purport to require congressional approval before executive branch execution of aspects of the bill. We will interpret such provisions to require notification only, since any other interpretation would contradict the Supreme Court ruling in INS v. Chadha.

STATEMENT BY THE PRESIDENT

Today I have signed into law H.R. 2620, the "Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2002."

I appreciate the bipartisan effort that has gone into producing this Act. The Act abides by the agreed upon aggregate funding level for Fiscal Year 2002 of \$686 billion and supports several of my Administration's key initiatives with:

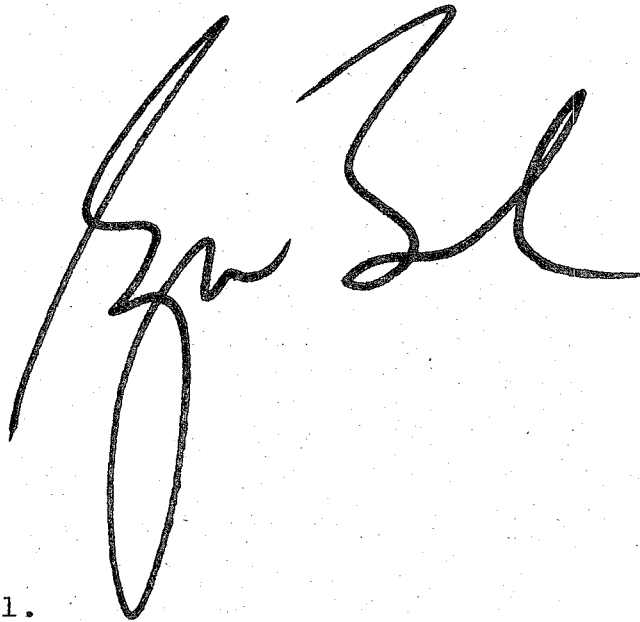
- \$955 million for the Veterans Affairs Duty to Assist initiative to improve performance in claims processing and assist veterans with their claims;
- \$160 million for the National Science Foundation Math and Science Partnerships initiative, which provides funds for States to join with institutions of higher education in strengthening math and science education in grades K-12; and
- \$50 million for the Housing and Urban Development Down Payment Assistance initiative that assists low-income families with the down payment on their first home.

Several additional initiatives I have proposed were worthy of funding but are not part of this bill: the Community Technology Centers and Improving Access programs in HUD, the Silver Scholarships and Veterans Mission for Youth programs under the Corporation for National and Community Service, and the VA/DOD Medical Care Choice initiative.

The Silver Scholarship Program would have provided Silver Scholarships to 10,000 older Americans who volunteer 500 hours of service tutoring and mentoring students in after-school programs. Each \$1,000 scholarship could be deposited in an education savings account for use by seniors' children, grandchildren, or another child. The Veterans Mission for Youth program would have provided matching grants to community organizations that connect veterans and retired military personnel with America's youth through mentoring, tutoring, after-school, and other programs.

The VA/DoD Medical Care Choice initiative would ensure that all military retirees annually choose either the Department of Defense or the Department of Veterans Affairs as their health care provider. This would enhance quality and continuity of care and prevent duplication of services and costs.

Several provisions in the Act purport to require congressional approval before executive branch execution of aspects of the bill. My Administration will interpret such provisions to require notification only, since any other interpretation would contradict the Supreme Court ruling in INS v. Chadha.

A large, stylized handwritten signature in black ink, likely belonging to George W. Bush, positioned in the center of the page.

THE WHITE HOUSE,

November 26, 2001.

STATEMENT BY THE PRESIDENT

Today I have signed into law H.R. 2620, the "Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2002."

I appreciate the bipartisan effort that has gone into producing this Act. The Act abides by the agreed upon aggregate funding level for Fiscal Year 2002 of \$686 billion and supports several of my Administration's key initiatives with:

- \$955 million for the Veterans Affairs Duty to Assist initiative to improve performance in claims processing and assist veterans with their claims;
- \$160 million for the National Science Foundation Math and Science Partnerships initiative, which provides funds for States to join with institutions of higher education in strengthening math and science education in grades K-12; and
- \$50 million for the Housing and Urban Development Down Payment Assistance initiative that assists low-income families with the down payment on their first home.

Several additional initiatives I have proposed were worthy of funding but are not part of this bill: the Community Technology Centers and Improving Access programs in HUD, the Silver Scholarships and Veterans Mission for Youth programs under the Corporation for National and Community Service, and the VA/DOD Medical Care Choice initiative.

The Silver Scholarship Program would have provided Silver Scholarships to 10,000 older Americans who volunteer 500 hours of service tutoring and mentoring students in after-school programs. Each \$1,000 scholarship could be deposited in an education savings account for use by seniors' children, grandchildren, or another child. The Veterans Mission for Youth program would have provided matching grants to community organizations that connect veterans and retired military personnel with America's youth through mentoring, tutoring, after-school, and other programs.

The VA/DoD Medical Care Choice initiative would ensure that all military retirees annually choose either the Department of Defense or the Department of Veterans Affairs as their health care provider. This would enhance quality and continuity of care and prevent duplication of services and costs.

Several provisions in the Act purport to require congressional approval before executive branch execution of aspects of the bill. My Administration will interpret such provisions to require notification only, since any other interpretation would contradict the Supreme Court ruling in INS v. Chadha.



THE WHITE HOUSE,



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

THE DIRECTOR

November 20, 2001

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill H.R. 2620 -- Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, FY 2002

Sponsors: Representative Walsh (R), New York
Senator Mikulski (D), Maryland

Last Day for Action

November 27, 2001 -- Tuesday

Funding for the agencies and accounts covered by the enrolled bill is currently provided under H.J. Res. 74, the fifth FY 2002 Continuing Resolution, which will expire at midnight on Friday, December 7th.

Purpose

Provides FY 2002 appropriations for the Departments of Housing and Urban Development (HUD) and Veterans Affairs (VA), the Environmental Protection Agency (EPA), the National Aeronautics and Space Administration (NASA), the Federal Emergency Management Agency (FEMA), the National Science Foundation (NSF), and a number of smaller agencies.

Agency Recommendations

Office of Management and Budget

Approval (Signing Statement attached)

Department of Housing and Urban Development

Approval (Assumed)

Department of Veterans Affairs

Approval (Assumed)

Environmental Protection Agency

Approval (Assumed)

National Aeronautics and Space Administration

Approval (Assumed)

Federal Emergency Management Administration

Approval (Assumed)

National Science Foundation

Approval (Assumed)

Corporation for National and Community Service

Approval (Assumed)

Discussion

The VA/HUD/Independent Agencies enrolled bill provides a total of \$85.3 billion in FY 2002 discretionary budget authority, \$2.1 billion over your request and \$4.6 billion over the FY 2001 enacted level. The bill is funded within its 302(b) allocation. However, to stay within the allocation it includes a rescission of \$1.2 billion in HUD Section 8 unobligated balances, \$4.2 billion in HUD advance appropriations, and \$1.5 billion in contingent emergency funding for FEMA Disaster Relief. The conference report on H.R. 2620 was passed by the House 401 to 18 and by the Senate 87 to 7. We will continue to work with the Congress to ensure the policy and program content of each of the thirteen appropriations bills is acceptable to you and that the bill totals are within the recently agreed upon aggregate funding level of \$686 billion.

The enrolled bill provides most of your requested funding for housing assistance and community development programs. It also more than meets the funding requirements to improve benefits and services to our Nation's veterans. The enrolled bill provides sufficient funding to continue valuable space and earth science and aerospace programs at NASA, continues investments in research and science at the National Science Foundation, improves EPA's ability to be more effective in addressing the Nation's most pressing environmental quality needs, and addresses unforeseen funding requirements for the Federal Emergency Management Agency.

Presidential Initiatives

The enrolled bill addresses your FY 2002 requests for several key initiatives. The Veterans Affairs Duty to Assist initiative to improve performance in claims processing and assist veterans with their claims is fully funded at \$955 million. The National Science Foundation Math and Science Partnerships initiative, which provides funds for States to join with institutions of higher education in strengthening math and science education in grades K-12, receives \$160 million of the \$200 million you requested. The bill provides \$50 million of the \$200 million you requested for HUD's Down Payment Assistance initiative to assist low-income families with a down payment on their first home.

Department of Housing and Urban Development

The final version of the bill provides \$30 billion for the Department of Housing and Urban Development, \$425 million below your request and \$1.5 billion over the FY 2001 enacted level. Your FY 2002 Budget request focused on improving HUD's performance by funding those programs that are at the heart of its housing and community revitalization mission and proposed terminating programs that fall outside that mission.

As you requested, the enrolled bill renews all expiring rental assistance contracts to assist low income renters at a cost of \$15.1 billion. The bill also funds \$144 million of the \$197 million requested for additional low-income housing vouchers. Community Development Block Grants (CDBG) is funded \$5.0 billion, \$198 million over your request, and \$113 million below the FY 2001 enacted level. The enrolled bill also provides your requests of \$277 million for the Housing Opportunities for Persons with AIDS program and \$110 million for Lead Hazard

Reduction. Congress agreed with your request to eliminate funding for the underperforming Public Housing Drug Elimination Grants program.

As you requested, the final version of the bill provides authorization of a popular new loan type, hybrid adjustable-rate mortgages, which will increase demand for FHA-guaranteed loans. The bill also provides your requested increases in FHA receipts by raising premiums for some specialized FHA programs (e.g., condominium, rehabilitation, and multifamily loans), requiring all single-family FHA borrowers to pay the same premium rates and eliminating the Government subsidy.

Department of Veterans Affairs

The enrolled bill funds Veterans Affairs at \$23.8 billion, \$447 million over your request, and \$1.4 billion over the FY 2001 enacted level. The bill provides \$21.3 billion to VA Medical Care, \$351 million over your request and \$1.1 billion over the FY 2001 enacted level. Medical and Prosthetic Research is funded at \$371 million, slightly above your request. The enrolled bill contains language that would prevent VA from implementing your initiative to ensure that all military retirees annually choose either VA or DoD as their health care provider. Implementation of this initiative would enhance quality and continuity of care, and prevent duplication of services and costs.

Environmental Protection Agency (EPA)

The enrolled bill funds EPA at \$7.9 billion, \$590 million above your request and \$92 million over the FY 2001 enacted level. The bill provides \$3.9 billion, \$157 million over your request and \$44 million over the FY 2001 enacted level for the Operating Program. The Operating Program consists of EPA's core regulatory, research, and enforcement activities and State program grants. The bill provides \$3.7 billion for State and Tribal Assistance Grants, \$444 million above your request and \$112 million over the FY 2001 enacted level. Superfund is funded at \$1.27 billion, roughly equal to your request.

The enrolled bill adopts the language passed by the House prohibiting a delay in setting new drinking water standards for arsenic to include the standard of 10 parts per billion. However, there is report language stating that "the Congress and the Administration must act swiftly to provide both the time and the means for many small communities to meet the 10 parts per billion standard." The Administration is directed to provide a report to the Congress by March 1, 2002, that addresses affordability and compliance concerns of smaller communities.

Federal Emergency Management Agency (FEMA)

The enrolled bill provides \$2.1 billion for FEMA Disaster Relief, \$745 million over your request and \$518 million over the FY 2001 enacted level. However, \$1.5 billion of these funds is designated as contingent emergency funding. Base (non-emergency) funding is funded at \$664 million, \$702 million below your request. The bill provides \$413 million for Emergency Management Planning and Assistance, \$75 million over your request and \$61 million over the

FY 2001 enacted level. The bill also funds the Fire Grants program at \$150 million, \$50 million above your request. The enrolled bill provides the \$140 million you requested for the Emergency Food and Shelter Program.

National Aeronautics and Space Administration (NASA)

The conference bill provides \$14.8 billion for NASA, \$281 million above your request and \$539 million over the FY 2001 enacted level. The bill fully funds or almost fully funds priority science and technology programs at NASA, including the next decade of Mars missions, lower-cost space transportation, and astrophysics and climate change research. The International Space Station is funded at \$1.73 billion, \$75 million below your request and \$101 million below the FY 2001 enacted level. The bill, however, includes over 130 unrequested projects totaling over \$530 million, including funding for museums, planetariums, corporate jets, libraries, automobile engines, and college dormitories.

National Science Foundation (NSF)

The bill provides \$4.8 billion for NSF, \$317 million above your request and \$372 million over the FY 2001 enacted level. The bill provides \$3.6 billion for Research and Related Activities, \$271 million over your request and \$255 million over the FY 2001 enacted level. The bill also includes \$875 million for Education and Human Resources, \$3 million over your request and \$90 million over the FY 2001 enacted level.

Corporation for National and Community Service (CNCS)

The bill provides \$407 million for CNCS programs, \$9 million below your request and \$55 million below the FY 2001 enacted level.

Earmarked Funding

The Budget encouraged the Congress to reduce earmarking of appropriated funds to enhance programs ability to meet broad programmatic goals. Unfortunately, this bill increased the number of earmarks by approximately twelve percent.

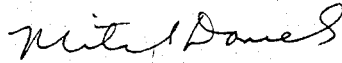
Infringement on Executive Authority

There are several provisions in the enrolled bill that would require Committee approval before Executive Branch execution. The Administration has made it clear to the Congress, however, that we will interpret these provisions to require only notification of the Congress since any other interpretation would contradict the Supreme Court ruling in INS v. Chadha.

Recommendation

On balance, the enrolled bill provides adequate funding for your major initiatives and does not include a large number of objectionable legislative provisions. The enrolled bill also abides by the agreed upon funding level for FY 2002 of \$686 billion. I join with the heads of the affected Departments and agencies in recommending that you sign H.R. 2620. A signing statement is attached for your consideration.

Sincerely,

A handwritten signature in cursive script, appearing to read "Mitch Daniels".

Mitchell E. Daniels, Jr.
Director

Attachment

STATEMENT BY THE PRESIDENT

Today I have signed into law H.R. 2620, the "Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2002."

I appreciate the bipartisan effort that has gone into producing this Act. The bill abides by the agreed upon aggregate funding level for Fiscal Year 2002 of \$686 billion and supports several of my Administration's key initiatives with:

- \$955 million for the Veterans Affairs Duty to Assist initiative to improve performance in claims processing and assist veterans with their claims;
- \$160 million for the National Science Foundation Math and Science Partnerships initiative, which provides funds for States to join with institutions of higher education in strengthening math and science education in grades K-12; and
- \$50 million for the Housing and Urban Development Down Payment Assistance initiative that assists low-income families with the down payment on their first home.

However, I am disappointed that several additional initiatives I have proposed did not receive funding or authorization to proceed. These include the Community Technology Centers and Improving Access programs in HUD, the Silver Scholarships and Veterans Mission for Youth programs under the Corporation for National and Community Service, and the VA/DoD Medical Care Choice Initiative.

The Silver Scholarship Program would have provided Silver Scholarships to 10,000 older Americans who volunteer 500 hours of service tutoring and mentoring students in after-school programs. Each \$1,000 scholarship could be deposited in an education savings account for use by seniors' children, grandchildren, or another child. The Veterans Mission for Youth program would have provided matching grants to community organizations that connect veterans and retired military personnel with America's youth through mentoring, tutoring, after-school, and other programs.

The VA/DoD Medical Care Choice Initiative would ensure that all military retirees annually choose either the Department of Defense or the Department of Veterans Affairs as their health care provider. This would enhance quality and continuity of care and prevent duplication of services and costs.

Several provisions in the bill purport to require congressional approval before executive branch execution of aspects of the bill. We will interpret such provisions to require notification only, since any other interpretation would contradict the Supreme Court ruling in INS v. Chadha.

My Administration

[Signature]

One Hundred Seventh Congress of the United States of America

AT THE FIRST SESSION

*Begun and held at the City of Washington on Wednesday,
the third day of January, two thousand and one*

An Act

Making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2002, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2002, and for other purposes, namely:

TITLE I—DEPARTMENT OF VETERANS AFFAIRS

VETERANS BENEFITS ADMINISTRATION

COMPENSATION AND PENSIONS

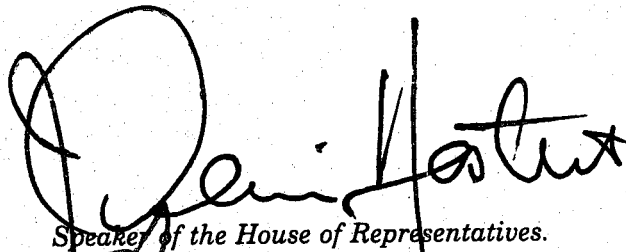
(INCLUDING TRANSFER OF FUNDS)

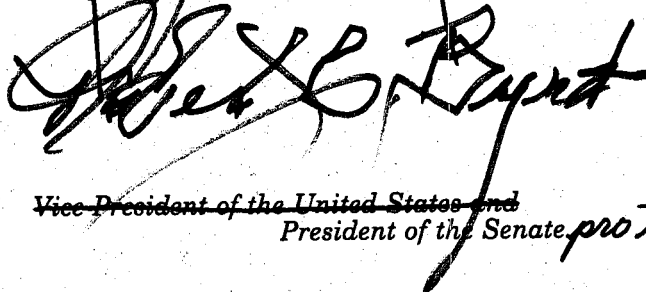
For the payment of compensation benefits to or on behalf of veterans and a pilot program for disability examinations as authorized by law (38 U.S.C. 107, chapters 11, 13, 18, 51, 53, 55, and 61); pension benefits to or on behalf of veterans as authorized by law (38 U.S.C. chapters 15, 51, 53, 55, and 61; 92 Stat. 2508); and burial benefits, emergency and other officers' retirement pay, adjusted-service credits and certificates, payment of premiums due on commercial life insurance policies guaranteed under the provisions of article IV of the Soldiers' and Sailors' Civil Relief Act of 1940 (50 U.S.C. App. 540 et seq.) and for other benefits as authorized by law (38 U.S.C. 107, 1312, 1977, and 2106, chapters 23, 51, 53, 55, and 61; 50 U.S.C. App. 540–548; 43 Stat. 122, 123; 45 Stat. 735; 76 Stat. 1198), \$24,944,288,000, to remain available until expended: *Provided*, That not to exceed \$17,940,000 of the amount appropriated under this heading shall be reimbursed to "General operating expenses" and "Medical care" for necessary expenses in implementing those provisions authorized in the Omnibus Budget Reconciliation Act of 1990, and in the Veterans' Benefits Act of 1992 (38 U.S.C. chapters 51, 53, and 55), the funding source for which is specifically provided as the "Compensation and pensions" appropriation: *Provided further*, That such sums as may be earned on an actual qualifying patient basis, shall be reimbursed to "Medical facilities revolving fund" to augment the funding of individual medical facilities for nursing home care provided to pensioners as authorized.

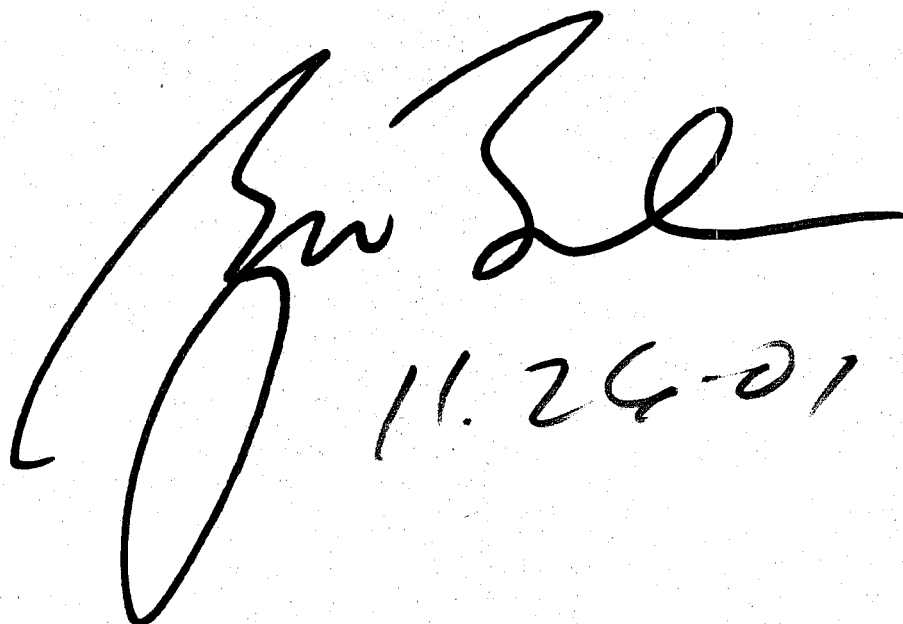
H. R. 2620—50

Housing and Community Development Act of 1974, as amended, no later than 5 days before the effective date of such waiver: *Provided further*, That the Secretary shall notify the Committees on Appropriations on the proposed allocation of any funds and any related waivers pursuant to this section no later than 5 days before such allocation.

This Act may be cited as the "Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2002".


Speaker of the House of Representatives.


~~Vice President of the United States and~~
President of the Senate *pro tempore*.


11.24.01

STATEMENT BY THE PRESIDENT

Today I have signed into law H.R. 2620, the "Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2002."

I appreciate the bipartisan effort that has gone into producing this Act. The bill abides by the agreed upon aggregate funding level for Fiscal Year 2002 of \$686 billion and supports several of my Administration's key initiatives with:

- \$955 million for the Veterans Affairs Duty to Assist initiative to improve performance in claims processing and assist veterans with their claims;
- \$160 million for the National Science Foundation Math and Science Partnerships initiative, which provides funds for States to join with institutions of higher education in strengthening math and science education in grades K-12; and,
- \$50 million for the Housing and Urban Development Down Payment Assistance initiative that assists low-income families with the down payment on their first home.

However, I am disappointed that several additional initiatives I have proposed did not receive funding or authorization to proceed. These include the Community Technology Centers and Improving Access programs in HUD, the Silver Scholarships and Veterans Mission for Youth programs under the Corporation for National and Community Service, and the VA/DoD Medical Care Choice Initiative.

The Silver Scholarship Program would have provided Silver Scholarships to 10,000 older Americans who volunteer 500 hours of service tutoring and mentoring students in after-school programs. Each \$1,000 scholarship could be deposited in an education savings account for use by seniors' children, grandchildren, or another child. The Veterans Mission for Youth program would have provided matching grants to community organizations that connect veterans and retired military personnel with America's youth through mentoring, tutoring, after-school, and other programs.

The VA/DoD Medical Care Choice Initiative would ensure that all military retirees annually choose either the Department of Defense or the Department of Veterans Affairs as their health care provider. This would enhance quality and continuity of care, and prevent duplication of services and costs.

Several provisions in the bill purport to require congressional approval before executive branch execution of aspects of the bill. We will interpret such provisions to require notification only, since any other interpretation would contradict the Supreme Court ruling in INS v. Chadha.

Harriet's office incorporated S/Clark

STATEMENT BY THE PRESIDENT

Today I have signed into law H.R. 2620, the "Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2002."

I appreciate the bipartisan effort that has gone into producing this Act. The Act abides by the agreed upon aggregate funding level for Fiscal Year 2002 of \$686 billion and supports several of my Administration's key initiatives with:

- \$955 million for the Veterans Affairs Duty to Assist initiative to improve performance in claims processing and assist veterans with their claims;
- \$160 million for the National Science Foundation Math and Science Partnerships initiative, which provides funds for States to join with institutions of higher education in strengthening math and science education in grades K-12; and
- \$50 million for the Housing and Urban Development Down Payment Assistance initiative that assists low-income families with the down payment on their first home.

Several additional initiatives I have proposed were worthy of funding but are not part of this bill: the Community Technology Centers and Improving Access programs in HUD, the Silver Scholarships and Veterans Mission for Youth programs under the Corporation for National and Community Service, and the VA/DOD Medical Care Choice initiative.

The Silver Scholarship Program would have provided Silver Scholarships to 10,000 older Americans who volunteer 500 hours of service tutoring and mentoring students in after-school programs. Each \$1,000 scholarship could be deposited in an education savings account for use by seniors' children, grandchildren, or another child. The Veterans Mission for Youth program would have provided matching grants to community organizations that connect veterans and retired military personnel with America's youth through mentoring, tutoring, after-school, and other programs.

The VA/DoD Medical Care Choice initiative would ensure that all military retirees annually choose either the Department of Defense or the Department of Veterans Affairs as their health care provider. This would enhance quality and continuity of care and prevent duplication of services and costs.

Several provisions in the Act purport to require congressional approval before executive branch execution of aspects of the bill. My Administration will interpret such provisions to require notification only, since any other interpretation would contradict the Supreme Court ruling in INS v. Chadha.

A large handwritten 'X' mark is drawn in the center of the page, likely indicating a signature or a mark of approval.

THE WHITE HOUSE,

STATEMENT BY THE PRESIDENT

Today I have signed into law H.R. 2620, the "Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2002."

I appreciate the bipartisan effort that has gone into producing this Act. The bill abides by the agreed upon aggregate funding level for Fiscal Year 2002 of \$686 billion and supports several of my Administration's key initiatives with:

- \$955 million for the Veterans Affairs Duty to Assist initiative to improve performance in claims processing and assist veterans with their claims;
- \$160 million for the National Science Foundation Math and Science Partnerships initiative, which provides funds for States to join with institutions of higher education in strengthening math and science education in grades K-12; and,
- \$50 million for the Housing and Urban Development Down Payment Assistance initiative that assists low-income families with the down payment on their first home.

but are not part of bill

~~However, I am disappointed that several additional initiatives I have proposed did not receive funding or authorization to proceed. These include the Community Technology Centers and Improving Access programs in HUD, the Silver Scholarships and Veterans Mission for Youth programs under the Corporation for National and Community Service, and the VA/DoD Medical Care Choice Initiative.~~ *were worthy of funding*

The Silver Scholarship Program would have provided Silver Scholarships to 10,000 older Americans who volunteer 500 hours of service tutoring and mentoring students in after-school programs. Each \$1,000 scholarship could be deposited in an education savings account for use by seniors' children, grandchildren, or another child. The Veterans Mission for Youth program would have provided matching grants to community organizations that connect veterans and retired military personnel with America's youth through mentoring, tutoring, after-school, and other programs.

The VA/DoD Medical Care Choice Initiative would ensure that all military retirees annually choose either the Department of Defense or the Department of Veterans Affairs as their health care provider. This would enhance quality and continuity of care, and prevent duplication of services and costs.

Several provisions in the bill purport to require congressional approval before executive branch execution of aspects of the bill. We will interpret such provisions to require notification only, since any other interpretation would contradict the Supreme Court ruling in INS v. Chadha.

STATEMENT BY THE PRESIDENT

Today I have signed into law H.R. 2620, the "Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2002."

I appreciate the bipartisan effort that has gone into producing this Act. The Act abides by the agreed upon aggregate funding level for Fiscal Year 2002 of \$686 billion and supports several of my Administration's key initiatives with:

- \$955 million for the Veterans Affairs Duty to Assist initiative to improve performance in claims processing and assist veterans with their claims;
- \$160 million for the National Science Foundation Math and Science Partnerships initiative, which provides funds for States to join with institutions of higher education in strengthening math and science education in grades K-12; and
- \$50 million for the Housing and Urban Development Down Payment Assistance initiative that assists low-income families with the down payment on their first home.

Several additional initiatives I have proposed were worthy of funding but are not part of this bill: the Community Technology Centers and Improving Access programs in HUD, the Silver Scholarships and Veterans Mission for Youth programs under the Corporation for National and Community Service, and the VA/DOD Medical Care Choice initiative.

The Silver Scholarship Program would have provided Silver Scholarships to 10,000 older Americans who volunteer 500 hours of service tutoring and mentoring students in after-school programs. Each \$1,000 scholarship could be deposited in an education savings account for use by seniors' children, grandchildren, or another child. The Veterans Mission for Youth program would have provided matching grants to community organizations that connect veterans and retired military personnel with America's youth through mentoring, tutoring, after-school, and other programs.

The VA/DoD Medical Care Choice initiative would ensure that all military retirees annually choose either the Department of Defense or the Department of Veterans Affairs as their health care provider. This would enhance quality and continuity of care and prevent duplication of services and costs.

Several provisions in the Act purport to require congressional approval before executive branch execution of aspects of the bill. My Administration will interpret such provisions to require notification only, since any other interpretation would contradict the Supreme Court ruling in INS v. Chadha.

THE WHITE HOUSE,

STATEMENT BY THE PRESIDENT

Today I have signed into law H.R. 2620, the "Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2002."

I appreciate the bipartisan effort that has gone into producing this Act. The Act abides by the agreed upon aggregate funding level for Fiscal Year 2002 of \$686 billion and supports several of my Administration's key initiatives with:

- \$955 million for the Veterans Affairs Duty to Assist initiative to improve performance in claims processing and assist veterans with their claims;
- \$160 million for the National Science Foundation Math and Science Partnerships initiative, which provides funds for States to join with institutions of higher education in strengthening math and science education in grades K-12; and
- \$50 million for the Housing and Urban Development Down Payment Assistance initiative that assists low-income families with the down payment on their first home.

However, I am disappointed that several additional initiatives I have proposed did not receive funding or authorization to proceed. These include the Community Technology Centers and Improving Access programs in HUD, the Silver Scholarships and Veterans Mission for Youth programs under the Corporation for National and Community Service, and the VA/DOD Medical Care Choice initiative.

The Silver Scholarship Program would have provided Silver Scholarships to 10,000 older Americans who volunteer 500 hours of service tutoring and mentoring students in after-school programs. Each \$1,000 scholarship could be deposited in an education savings account for use by seniors' children, grandchildren, or another child. The Veterans Mission for Youth program would have provided matching grants to community

organizations that connect veterans and retired military personnel with America's youth through mentoring, tutoring, after-school, and other programs.

The VA/DoD Medical Care Choice initiative would ensure that all military retirees annually choose either the Department of Defense or the Department of Veterans Affairs as their health care provider. This would enhance quality and continuity of care and prevent duplication of services and costs.

Several provisions in the Act purport to require congressional approval before executive branch execution of aspects of the bill. My Administration will interpret such provisions to require notification only, since any other interpretation would contradict the Supreme Court ruling in INS v. Chadha.

THE WHITE HOUSE,

One Hundred Seventh Congress of the United States of America

AT THE FIRST SESSION

*Begun and held at the City of Washington on Wednesday,
the third day of January, two thousand and one*

An Act

Making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2002, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2002, and for other purposes, namely:

TITLE I—DEPARTMENT OF VETERANS AFFAIRS

VETERANS BENEFITS ADMINISTRATION

COMPENSATION AND PENSIONS

(INCLUDING TRANSFER OF FUNDS)

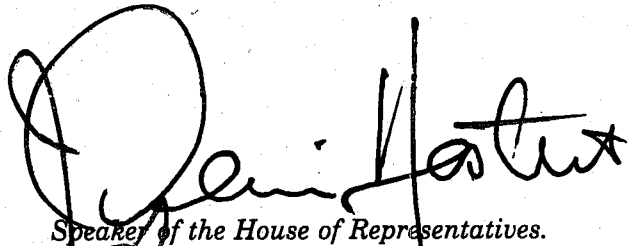
For the payment of compensation benefits to or on behalf of veterans and a pilot program for disability examinations as authorized by law (38 U.S.C. 107, chapters 11, 13, 18, 51, 53, 55, and 61); pension benefits to or on behalf of veterans as authorized by law (38 U.S.C. chapters 15, 51, 53, 55, and 61; 92 Stat. 2508); and burial benefits, emergency and other officers' retirement pay, adjusted-service credits and certificates, payment of premiums due on commercial life insurance policies guaranteed under the provisions of article IV of the Soldiers' and Sailors' Civil Relief Act of 1940 (50 U.S.C. App. 540 et seq.) and for other benefits as authorized by law (38 U.S.C. 107, 1312, 1977, and 2106, chapters 23, 51, 53, 55, and 61; 50 U.S.C. App. 540–548; 43 Stat. 122, 123; 45 Stat. 735; 76 Stat. 1198), \$24,944,288,000, to remain available until expended: *Provided*, That not to exceed \$17,940,000 of the amount appropriated under this heading shall be reimbursed to "General operating expenses" and "Medical care" for necessary expenses in implementing those provisions authorized in the Omnibus Budget Reconciliation Act of 1990, and in the Veterans' Benefits Act of 1992 (38 U.S.C. chapters 51, 53, and 55), the funding source for which is specifically provided as the "Compensation and pensions" appropriation: *Provided further*, That such sums as may be earned on an actual qualifying patient basis, shall be reimbursed to "Medical facilities revolving fund" to augment the funding of individual medical facilities for nursing home care provided to pensioners as authorized.

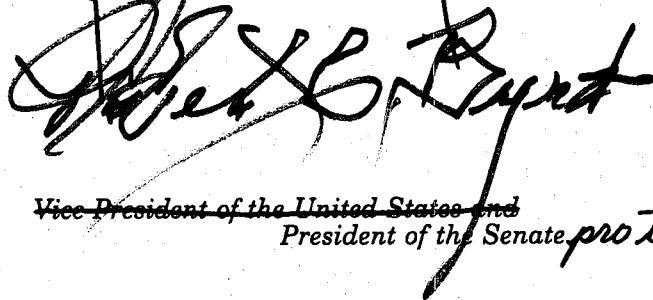


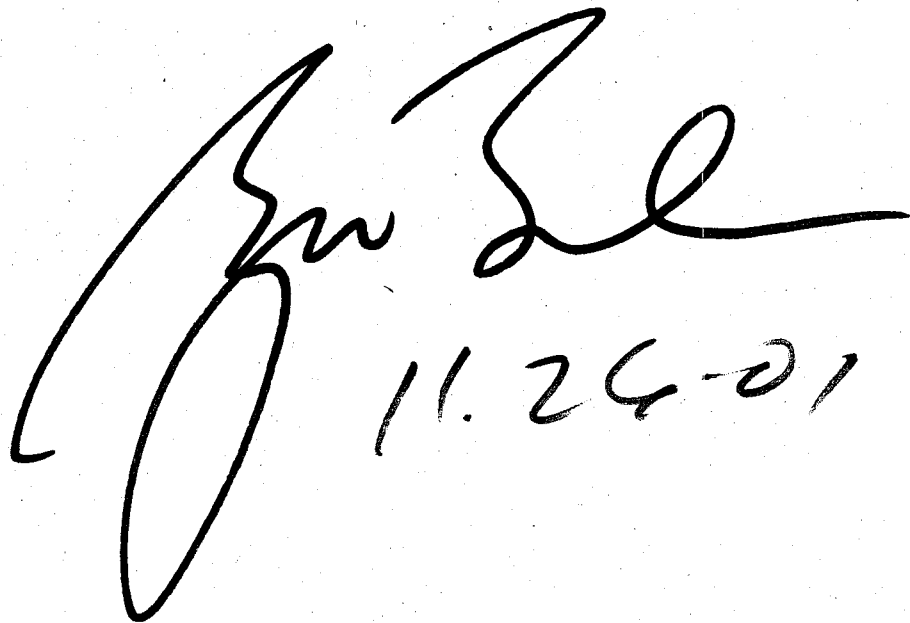
H. R. 2620—50

Housing and Community Development Act of 1974, as amended, no later than 5 days before the effective date of such waiver: *Provided further*, That the Secretary shall notify the Committees on Appropriations on the proposed allocation of any funds and any related waivers pursuant to this section no later than 5 days before such allocation.

This Act may be cited as the "Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2002".


Speaker of the House of Representatives.


~~Vice President of the United States and~~
President of the Senate *pro tempore*.


11.24.01

OFFICE OF THE EXECUTIVE CLERK
TRACKING SHEET FOR PRESIDENTIAL DOCUMENTS

TITLE:

H.R. 2620 - Departments of Veterans Affairs
and Housing and Urban Development and Independent
Agencies Appropriations Act, FY 2002

TYPE DOCUMENT:

CDA- 11/27/01

PROCLAMATION

LETTER(S)

EXECUTIVE ORDER

MESSAGE TO THE CONGRESS/SENATE

MEMORANDUM

STATEMENT BY THE PRESIDENT

DECISION MEMORANDUM

SIGNING STATEMENT

DETERMINATION (numbered)

TREATY/CONVENTION/AGREEMENT, etc.

OTHER:

RECEIVED: (Advance: 11/20/01 Time: 6:45 a.m./p.m.)
In final: / /01 Time: a.m./p.m.

SENT TO CORRESPONDENCE FOR TYPING IN FINAL:

(Advance: / /01 Time: a.m./p.m.)
In final: 11/20/01 Time: 7:00 a.m./p.m.

TO HARRIET MIERS' OFFICE:

(For staffing: / /01 Time: a.m./p.m.)
In final: 11/26/01 Time: 3:15 a.m./p.m.

*INFO, INCLUDING STENCIL AND DISC, TO PRESS OFFICE:

Date: 11/26/01 Time: 5:35 a.m./p.m.)
POSTED: 11/26/01 Time: 6:15 a.m./p.m.

NOTIFICATIONS:

(Person/time) NSC (#____), when appropriate -- Desk Officer;
W.H. Situation Room -- x6-9425.

Ginger Gregory, x6-2230, Legislative Affairs
(for messages to the Congress)

(Person/time) (Other)

(Person/time) (Other)

OTHER INFORMATION: