Draft

September 24, 1999

The Honorable C. W. Bill Young
Chairman
Committee on Appropriations
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

This letter provides the Administration's views on the Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Bill, FY 2000, as passed by the House and Senate. As the conferees develop a final version of the bill, your consideration of the Administration's views would be appreciated.

The Administration appreciates the Congress' efforts to accommodate the President's priorities within the 302(b) allocation. However, the inadequacy of the 302(b) allocation has forced the Congress to make choices that are simply unacceptable.

The President's FY 2000 Budget proposes levels of discretionary spending that meet important national needs while conforming to the Bipartisan Budget Agreement by making savings proposals in mandatory and other programs available to help finance vital spending needs. Congress has approved and the President has signed into law nearly $29 billion of such offsets in appropriations legislation since 1995. The Administration appreciates the Senate's adoption of one such proposal, language clarifying the relationship of bankruptcy law with regard to spectrum licenses. This provision will also help to ensure the integrity of the spectrum auction process. The Administration urges the Congress to consider additional such proposals as the FY 2000 appropriations process moves forward.

The Administration has very serious concerns, discussed below, with the Congress' inadequate funding of a number of priority programs, as well as with several objectionable language provisions. If the bill presented to the President does not address these issues, the President's senior advisers would recommend that he veto the bill.

Public Safety and Crime Prevention

21st Century Policing Initiative/Community Oriented Policing Services. Neither the House nor the Senate bill provides adequate funding for the President's 21st Century Policing Initiative, the logical successor to the highly effective Community Oriented Policing Services program. We urge the conferees to fully fund the 21st Century Policing Initiative at the requested level of $1,275 million. This initiative would enable local police Departments to hire up to 50,000 additional community police officers, hire new community prosecutors, and expand community-based prevention efforts.

Federal Law Enforcement. The Administration urges the conferees to restore funds for high priority Federal law enforcement programs, including the Federal Bureau of Investigation (FBI), the United States Attorneys, and the Department of Justice's Legal Divisions. In the House bill, Federal law enforcement programs are funded virtually at the current services level. The reductions in the Senate-passed bill are more severe; in aggregate, the Senate's funding levels for these programs are below the FY 1999 enacted levels. When combined with various requirements and earmarks in the bill, the Senate level would force substantial reductions in the number of FBI agents and Federal prosecutors, significantly reducing the Department's ability to investigate and prosecute violent crime, including the more than 160 Safe Streets Task Forces that target violent gangs, fugitives, and major theft groups. These reductions would threaten the progress that has been made in reducing violent crime in the United States. In addition, the Administration also opposes language in the Senate Report that would limit U.S. Attorneys' new hires to two-year terms.

Anti-Drug Programs. The Administration urges the conferees to provide funding for the DEA at the requested level. The Senate level for DEA is more than $60 million below the request and is below the FY 1999 enacted level. The Administration also urges the conferees to provide the requested $100 million for the Drug Intervention Program, which is not funded in either bill. The program would help States and localities implement tough new systems to drug test, treat, and punish drug offenders. Finally, we object to Congress' proposed $10 million reduction to the request for the Drug Courts program. Taken together, such actions would make it difficult to achieve the drug reduction targets in the annual drug strategy and in the Office of National Drug Control Policy Reauthorization Act of 1998.

to reduce future drug-related crime.

Brady Handgun National Instant Check System. The Administration urges Congress to support the Brady Handgun National Instant-Check System by enacting the requested new fee. Such action would ensure that this critical system is fully funded and that the direct appropriations provided in the House and Senate bills could be used for other important law enforcement programs.

Decennial Census

Decennial Census. The Administration has proposed to fully fund the Decennial Census within the limitations of the budget caps -- including those increased activities made necessary by the January 25, 1999, U.S. Supreme Court ruling requiring a non-sampling census for purposes of congressional apportionment. The Senate level for the decennial census is clearly unacceptable and would not support the requirements of a non-sampling census. The Administration appreciates the House level, which recommends funding for all but $15 million of the President's request. We urge the conferees to provide a funding level and mechanism that is consistent with the Administration's proposal. Finally, we remind the conferees that, if adopted, section 204 of the Senate bill should be updated to reference the 2000 census rather than the 1990 census. **[NEED DECISION ON WHETHER TO STRENGTHEN RHETORIC ON EMERGENCY DESIGNATION]**

Immigration Programs

Immigration and Naturalization Service. The Administration supports the House funding level for the Immigration and Naturalization Service (INS). The Senate's FY 2000 funding level for INS Salaries and Expenses is $189 million below the level needed to maintain current services and would decimate INS activities. Within this very constrained funding level, the bill unreasonably directs INS to hire an additional 1,000 border patrol agents in FY 2000. The Senate funding level fails to provide the resources to support these additional agents and includes a position ceiling that would cut overall INS staffing by over 1,400 positions. Insufficient funding is provided to meet the mandatory detention requirements, and the Senate bill would divert examination fee revenues, undermining INS's ability to reduce the naturalization backlog.

State Criminal Alien Assistance Program/Detention Funding for Guam and Commonwealth of Northern Mariana Island. The Administration is disappointed with the Senate's decision to reduce substantially funding for the Department of Justice's State Criminal Alien Assistance program (SCAAP). In addition, neither version of the bill allocates $19.4 million in SCAAP funding to reimburse Guam, the Commonwealth of the Northern Mariana Islands, and the Department of Justice for the costs of detaining and repatriating smuggled aliens, as requested by the President on July 19, 1999. This funding would be used to reimburse these Governments and the Department of Justice for their FY 1999 and FY 2000 detention housing costs. It is estimated that the use of SCAAP funds for this purpose will reduce reimbursement by one cent for every dollar claimed. We urge the conferees to provide SCAAP funds and direct their use as requested by the Administration.

Border Security Program. The Administration is pleased with the Congress' continued support of fee collections necessary to execute the President's Border Security Program in the Department of State. However, the House-passed bill limits the amount of fees that can be used in FY 2000, and could slow critically needed border security improvements. We urge the conferees to provide this fee authority without an artificial cap that would restrict FY 2000 resources available for this important program.

Protecting Civil Rights and Providing Legal Services

Legal Services Corporation. Notwithstanding the House amendment to increase funding above the House Committee level, the resulting House funding level for LSC remains unacceptable. The House version of the bill would fund LSC at $250 million, $50 million below the FY 1999 level and $90 million below the President's request of $340 million. The House level is 38 percent below the FY 1995 level of $400 million and calls into question the Government's commitment to ensure that all Americans have access to the judicial system. The Administration urges the conferees to fully fund the President's request.

Civil Rights Enforcement. The Administration urges the Conferees to fully fund the request for the Department of Justice's Civil Rights Division. The House level would allow no program increases, and the Senate would bill fund the Division below the current services level and would require a significant reduction in civil rights enforcement. The President's requested level, $82 million, would enable the Department to expand significantly its investigations and prosecutions of criminal civil cases (including hate crimes and police misconduct), fair housing and lending cases, and violations of the Americans with Disabilities Act.

Hate Crimes. The Administration strongly supports Senate language that would strengthen the Justice Department's ability to combat hate crimes by relaxing jurisdictional requirements for existing crimes and give Federal prosecutors the ability to prosecute hate crimes based on sexual orientation, gender or disability, along with race and religion. We urge the conferees to join the Administration in taking action to protect all Americans against such crimes by including this timely provision.

Equal Employment Opportunity Commission. The Administration urges the Congress to fully fund the request of $312 million for the Equal Employment Opportunity Commission (EEOC). Both the House and Senate bills would freeze funding for the Commission at the FY 1999 enacted level of $279 million. Funding EEOC at the requested level would allow the Commission to reduce significantly the backlog of employment discrimination complaints and strengthen the effective use of alternative dispute resolution techniques and fund the new Equal Pay Initiative to increase compliance with equal pay laws.

U.S. Commission on Civil Rights. The Administration urges the Congress to increase the funding level for the U.S. Commission on Civil Rights (the Commission) from the FY 1999 level of $8.9 million. Funding the Commission at the requested level of $11 million would help ensure an informed public debate about critical civil rights issues that deserve national attention.

Business and Technology Development

Department of Commerce -- Technology Administration Programs. The Administration appreciates the Senate's funding level of $227 million for the Advanced Technology Program (ATP) and strongly opposes the House's elimination of ATP funding. This program is producing significant economic benefits by promoting development of cutting-edge technologies. Independent studies forecast that economic benefits from just three early ATP projects could exceed the total program costs to date. In addition, the Administration is concerned with the freeze at the FY 1999 enacted level for in-house research and construction accounts of the National Institute of Standards and Technology (NIST) included in the House version of the bill. Such funding levels would impede NIST's standards leadership and delay construction of its Advanced Measurement Laboratory.

Small Business Administration -- New Markets. The Administration is very concerned that neither the House nor the Senate bill includes the requested funding for the Small Business Administration's (SBA's) new markets initiatives to invest in targeted rural and urban areas -- $15 million for New Market Venture Capital, $30 million for New Market Technical Assistance, $37 million for targeted 7 (a) small loans, and $3 million for BusinesLINC, a mentor/protege initiative to link large and small businesses.

Small Business Administration -- Administrative Expenses. We urge the conferees to provide the full request for SBA operations, including the business and disaster loan programs. The funding level in the House bill could require SBA to eliminate up to 2,400 staff positions, undermining SBA's ability to serve small businesses across the Nation. The Administration also strongly urges the conferees to strike House language that prohibits SBA from transferring $45 million of its disaster loan appropriation to cover indirect costs associated with disaster assistance.

Small Business Administration -- Business and Disaster Loans. The Administration urges the House to provide funds to support the full $10.5 billion requested for 7(a) business loan volume. We are also concerned that the SBA disaster loan program emergency contingent funding was not provided in either version of the bill.

National Oceanic and Atmospheric Administration Satellites. The Administration opposes the reduction to the National Polar-orbiting Operational Environmental Satellite System (NPOESS) in the House-passed bill. This reduction, particularly if combined with a reduction in the Department of Defense appropriations bill, would likely significantly delay the program and could result in a gap in satellite coverage. Finally, the Administration requests that the conferees fully fund the Advanced Weather Interactive Processing System (AWIPS) to allow the NWS to provide AWIPS coverage at all Weather Forecast Offices. Full funding of the AWIPS will help to continue modernization efforts to improve support of severe weather warnings and general forecasts.

Economic Development Administration. The Administration strongly objects to the Senate funding level for the Economic Development Administration (EDA), which is $165 million below the requested level. The Senate's level is a reduction of over 40 percent from both the request and the FY 1999 enacted level. We recommend that the conferees provide at least the House level to support EDA's ability to create jobs and expand economic opportunity in hundreds of distressed communities around the country.

National Telecommunications and Information Administration. The Administration urges the conferees to provide full funding for the Public Telecommunications Facilities, Planning and Construction Program, including the requested advance appropriations. This would ensure that public broadcasters are able to meet the Federally-mandated May 2003 deadline for the transition to digital broadcasting. We also recommend full funding for Information Infrastructure Grants, a program with a proven track record of extending the reach of innovative technology to underserved communities.

Protecting Natural Resources

National Oceanic and Atmospheric Administration/Lands Legacy. The Administration urges the conferees to fully fund the $183 million portion of the President's Lands Legacy Program included in the Department of Commerce's National Oceanic and Atmospheric Administration (NOAA). The Lands Legacy program is critical in helping restore and protect our coastal resources.

NOAA/Pacific Coast Salmon Recovery. The Administration is pleased that the Senate has included funding for the Pacific Coastal Salmon Recovery account, and notes that the House recognized the absence of funding for this program during the Floor debate. However, the Administration is concerned about Senate language which constrains funding to Tribes and may have the unintended effect of limiting the use of sound science in salmon recovery efforts. It is important that the conferees provide the full $160 million as requested and allocated, especially the $60 million needed to implement the recently signed U.S.-Canadian 1999 Pacific Salmon Agreement.

NOAA/Environmental Programs. The Administration appreciates the Senate's inclusion of an additional $12 million for Endangered Species Act (ESA) implementation and urges that the Clean Water Action Plan be fully funded at $22 million. Also, the Administration requests that the conferees provide $52 million for a new state-of-the-art research vessel to conduct fisheries stock assessments and meet the increasing demands of the Magnuson-Stevens Act, as is included in the Senate-passed bill. Finally, we urge the conferees to fully fund the request for the Global Learning and Observations to Benefit the Environment (GLOBE) program, halved in the Senate bill and eliminated in the House bill, and include $1 million for new education and outreach activities at Historically Black Colleges and Universities.

United States Leadership in International Affairs

Embassy Security. The Administration recognizes the Congress' strong support for improved embassy security. In particular, we appreciate the House's inclusion of funds for the ongoing costs of immediate improvements in the aftermath of the bombings in Nairobi and Dar es Salaam, as well full funding of the FY 2000 request for an accelerated construction program of new, secure facilities. We strongly urge the conferees to include full funding for the construction program and to add the requested advance appropriations necessary to support a multi-year capital improvement program. This multi-year construction program to protect all Americans serving abroad is a top priority of the President and his senior advisers. There is unanimity among security experts that a robust, multi-year program is a necessary component of a long-term solution to security threats.

Department of State Operating Expenses. The Administration opposes the significant reductions from the request for the Department of State's operating funds in both the House- and Senate-passed bills (four percent and nine percent from the request, respectively, with the Senate-passed bill also including significant earmarks and directives that would further exacerbate these reductions). The reductions proposed would make it impossible for the Department to maintain minimal diplomatic operations needed to advance our foreign policy in a rapidly changing world; integrate the U.S. Information Agency and Arms Control and Disarmament Agency into a reorganized Department of State; and, carry out core statutory functions such as passport and visa services. Such funding levels could require a hiring freeze, furlough of employees, and closure of overseas posts. In addition, the Administration cannot support reductions to the request in the House-passed bill for operation and maintenance of existing foreign buildings. These programs have significant backlogs and must be maintained to ensure full and safe operations of the Department's overseas facilities.

UN Arrears. Although the Administration appreciates the Congressional support for arrears payments, we will continue to seek our full request of $446 million for UN arrears, and urge that these funds be provided in a separate account, as in the House bill. We are deeply concerned about delaying the availability of $107 million of the arrears funding, and urge adopting of the Senate language making these funds available in line with the bipartisan arrears reform authorization legislation. Payment of arrears this year is vital to U.S. interests and to leverage UN reform. These funds are critical for maintaining our influence in the UN and its agencies, and to avoid losing our vote in the UN General Assembly next year. Without arrears, we will fail to win vital reforms such as a reduction in our assessment rates. U.S. leadership is needed, especially as the UN handles international crises such as Kosovo and East Timor.

International Organizations. Both the House- and Senate-passed bills significantly underfund the annual assessed Contributions to International Organizations and International Peacekeeping Activities. The proposed funding levels would increase arrears and further contribute to the possibility of the United States losing its vote in the UN General Assembly as of January 1, 2000. In addition, we oppose the House provision to withhold $100 from our UN assessments pending certifications on the UN budget. This withholding also jeopardizes our vote in the UN General Assembly.

The Administration opposes earmarks within the peacekeeping account in the Senate-passed bill, which would hinder the ability to adjust as priorities and situations on the ground can and do change rapidly. The Administration also opposes provisions in the Senate bill that eliminate or transfer funding for important international organizations. In addition, although delivered late in the budget process, we strongly urge the Congress to fully fund the amended peacekeeping request. These funds are urgently needed for new and expanded peacekeeping missions in Asia and Africa to capitalize on the emergent opportunities to redress the instability and suffering caused by these conflicts. We strongly urge the conferees to restore funds for these accounts, eliminate withholdings, and provide our request for international organizations.

Earmarking. The Administration opposes the House-passed bill's earmarking of funds for public diplomacy and international information programs. Mandating separate accounting within the Diplomatic and Consular Programs appropriation for public diplomacy would be counter-productive to the Department's streamlining efforts and would impede integrating this function effectively. The Administration's plan would fully integrate public diplomacy across several different bureaus, making such an earmark and administrative accounting burden. The proposed integration would provide a better mechanism to identify and act on priority public diplomacy issues and coordinate Washington resources with the needs of the field. We urge the conferees to delete the earmarks for public diplomacy.

Protection of Foreign Dignitaries. The Administration is concerned about the House and Senate's substantial reductions from the request for the Department of State appropriation to provide for extraordinary protection to foreign missions and officials in the United States. It is crucial that this account be fully funded at the requested level of $9.4 million to cover anticipated protective costs, including those associated with the United Nations Women's Conference next June. Further significant demands on this account will be made as a result of the recently announced UN Millennium Summit in September 2000 that will be attended by various heads of state and Pope John Paul II.

International Broadcasting Operations. The Administration is very concerned that the levels in the Senate-passed bill for international broadcasting operations and capital improvements would make it impossible to maintain the current levels of non-military international broadcasting. By not including sufficient funds to cover the costs of establishing the Broadcasting Board of Governors as an independent agency, the Senate's mark would require significant reductions in Voice of America staff, broadcast services, and broadcast hours. House-passed levels raise similar concerns, although less severely. The Senate mark also specifically excludes funding for Radio Democracy for Africa, preventing the Administration from increasing broadcasts and broadcast journalist training to African nations. In addition, we urge the conferees not to rescind funds for broadcasting operations. The Administration has submitted a request to reprogram a portion of these funds to defray the cost of broadcasting to the Kosovo region and for other high priority needs.

International Exchange Programs. The Administration appreciates the Senate's substantial funding level for international exchange and training programs. The House level, unfortunately, would reverse the Administration and Congress' joint efforts over the past few years to build the capacity of the Fulbright academic exchange program, cut the number of future leaders who participate in the International Visitors Program, and hurt our ability to engage Americans directly in substantive international activities with their counterparts abroad. The Administration requests the conferees to adopt the Senate level and reallocate funds within that level to the Congress-Bundestag Youth Exchange and the Fulbright students, scholars, and teachers programs.

Anti-Ballistic Missile Treaty. The Administration strongly opposes the House provision that seeks to curtail funding for U.S. participation in the Anti-Ballistic Missile Treaty's Standing Consultative Commission (SCC). The Administration has made clear that the 1997 Memorandum of Understanding (MOU) referred to in the House language will be sent to the Senate for advice and consent as soon as Russia ratifies START II; while we will continue to meet with other states in the SCC to discuss Treaty-related issues, the MOU will not be implemented without Senate approval. (Twice-yearly meetings of the SCC are required under the Treaty, which was ratified by the Senate in 1972 by a vote of 88 to 2. The SCC deals with Treaty related issues and works to resolve disputes and ensure compliance.)

Foreign Policy Issues. A number of provisions regarding the conduct of foreign affairs raise serious constitutional concerns and are opposed by the Administration. In the Senate bill, provisions concerning Jerusalem are objectionable on constitutional, foreign policy, and operational grounds. The actions called for by these provisions would prejudice the outcome of the Israeli-Palestinian permanent status negotiations, which have recently begun and which the parties are committed to conclude within a year. Just as parties have undertaken to address these difficult decisions, it is critical that no steps are taken to undermine their efforts to promote peace in the Middle East. These provisions would intrude on the President's constitutional authority to conduct foreign affairs. Also, section 615 on Haiti could, in some circumstances, limit the President's unfettered constitutional authority to "receive ambassadors and other public ministers." Furthermore, two House provisions would unconstitutionally constrain the President's authority as Commander-in-Chief and authority with respect to the conduct of diplomacy: section 610, which relates to command and control of United Nations peacekeeping efforts; and, language in the Contributions for International Peacekeeping Activities that would require a report to Congress prior to voting for a UN Peacekeeping mission. Finally, both versions of the bill include section 609 regarding Vietnam, which the Administration strongly opposes. This provision would impair the ability of the President and the Secretary of State to conduct foreign policy and to pursue the full range of U.S. interests in Vietnam. Moreover, it is unnecessary and counterproductive to the accomplishment of U.S. objectives in Vietnam, including the fullest possible accounting for our POWs/MIAs.

Anti-terrorism and Critical Infrastructure Protection

Assistance to State and Local Governments. The Administration is disappointed that the House has provided only $100 million of the $174 million requested to equip, train, and assist State and local first responders to chemical and biological attack. We strongly support the Senate's funding level for this initiative. In addition, we urge the conferees to adopt the Senate level of $27 million for the Department of Justice's Counterterrorism Fund.

Department of Justice Critical Infrastructure Protection Programs. The Senate bill provides additional funds to the FBI for the fight against cybercrime through the reallocation of existing resources. However, given the significant earmarking of FBI resources, including absorption of $10 million for the National Infrastructure Protection Center, it is unlikely that the Bureau would be able to implement the cybercrime program increases cited in the Senate Report. We urge the conferees to increase FBI resources for this effort. In addition, the Administration urges the conferees to fully fund the request for additional FBI computer crime squads.

Department of Commerce Critical Infrastructure Protection Programs. The Administration urges the conferees to fully fund the Department of Commerce's Critical Infrastructure programs and associated activities. These include the Critical Infrastructure Assurance Office (CIAO) and the National Telecommunications and Information Administration's lead agency function, Information Sharing and Assessment Center, and research activities for the telecommunications sector. The CIAO is crucial to implementing Presidential Decision Directive 63 and coordinating the Nation's critical infrastructure program. In addition, the Administration urges that full funding be provided for Chemical Weapons Convention, National Defense Authorization Act, and Export Control Automated Support System redesign activities in the Bureau of Export Administration.

On September 21, the President submitted a FY2000 budget amendement request to the Congress. The amendment includes $39 million to help protect critical infrastructure. Of that sum, $7 million would be provided to the Department of Commerce. While it is recognized that the request has been forwarded to Congress late in the appropriations cycle, we request that the conferees provide this sum to upgrade our national and economic security. These funds will improve our ability to detect and prevent intrusion into Government computer systems.

Other Concerns

Tobacco Litigation. The Administration is disappointed that the House and Senate have not provided direct appropriations requested for tobacco litigation, which would force the Department to use base funds to develop claims to recover money on behalf of the American people. Given that the States settled their claims against the tobacco industry for more than $200 billion and that Federal health care costs substantially exceed those of the States, the $20 million requested by the Administration is small compared to potential recoveries.

Federal Communications Commission. The Administration urges full funding of the Federal Communications Commission's (FCC's) request. The funding level in the House-passed bill could require an agency-wide furlough or reduction-in-force. The Administration also urges the conferees to adopt the Senate provision to clarify the relationship of bankruptcy law with regard to spectrum licenses, which would provide savings and help ensure the integrity of the spectrum auction process. Finally, we request that the conferees strike language added on both the House and Senate Floor that would force the FCC to discontinue the Uniform System of Accounts (USOA). The Administration pledges to work with Congress to eliminate any burdensome accounting requirements while ensuring that the FCC continues to collect information that helps protect consumers.

Securities and Exchange Commission. The Administration is concerned about the House bill's $37 million reduction from the requested program level for the Securities and Exchange Commission (SEC). The House level would make it difficult for the agency to fulfill its core mission of protecting investors and providing oversight of securities markets. Such a reduction could require the SEC to cut staffing by 200 work-years, curtail expenditures for technology to fight internet fraud, and cut back support for litigation efforts. We urge the conferees to fully fund the request of $361 million.

We look forward to working with the conferees to address our mutual concerns.

Sincerely,

Jacob J. Lew
Director

Identical Letter Sent to The Honorable C. W. Bill Young,
The Honorable David R. Obey, The Honorable Harold Rogers,
The Honorable Jose E. Serrano, The Honorable Ted Stevens,
The Honorable Robert C. Byrd, The Honorable Judd Gregg,
and The Honorable Ernest F. Hollings

Enclosure

The Honorable David R. Obey
Committee on Appropriations
U.S. House of Representatives
Washington, D.C. 20515

Dear Representative Obey:

The Honorable Harold Rogers
Chairman
Subcommittee on Commerce, Justice,
State, and Judiciary
Committee on Appropriations
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

The Honorable Jose E. Serrano
Subcommittee on Commerce, Justice,
State, and Judiciary
Committee on Appropriations
U.S. House of Representatives
Washington, D.C. 20515

Dear Representative Serrano:

The Honorable Ted Stevens
Chairman
Committee on Appropriations
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

Identical Letter Sent to The Honorable Ted Stevens,
The Honorable Robert C. Byrd, The Honorable Judd Gregg,
and The Honorable Ernest F. Hollings

The Honorable Robert C. Byrd
Committee on Appropriations
United States Senate
Washington, D.C. 20510

Dear Senator Byrd:

The Honorable Judd Gregg
Chairman
Subcommittee on Commerce, Justice,
State, and Judiciary
Committee on Appropriations
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

The Honorable Ernest F. Hollings
Subcommittee on Commerce, Justice,
State, and Judiciary
Committee on Appropriations
United States Senate
Washington, D.C. 20510

Dear Senator Hollings:

Enclosure
(Conference)

ADDITIONAL CONCERNS
DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE,
THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS BILL, FY 2000
(AS PASSED BY THE HOUSE AND BY THE SENATE)

Department of Justice

- Indian Country Law Enforcement. The Administration appreciates Senate's inclusion of \$111 million of the \$124 million requested for the Department of Justice to enhance law enforcement in Indian Country. We are very disappointed that the House has not included any funding for this initiative, and urge the conferees to fully fund the President's request.

- Youth Prevention Block Grant. The Administration appreciates the Congress' support of juvenile prevention programs. However, in place of the youth prevention block grant included in the House bill, which could support a wide range of unfocused activities, the Administration urges the House to appropriate the funding through the At-Risk Children's program. This will ensure that continued support is provided for the Safe Schools/Healthy Students initiative and for Indian Country.

- Bureau of Prisons/Abortion. The Administration urges the conferees to strike language included in both versions of the bill that would prohibit the Bureau of Prisons from funding abortions except in cases of rape or where the life of the mother is endangered. The Department of Justice believes that there is a great likelihood that this provision would be held unconstitutional.

- Penalties for Department of Justice Employees. The Administration urges the conferees not to adopt section 114 of the Senate bill, which would direct the Attorney General to establish penalties for engaging in certain prohibited conduct. There exist well-established constitutional and other legal constraints which already cover the types of conduct addressed by this section, and it is unnecessary and unwise to impose requirements on law enforcement personnel that may cause confusion with existing constraints.

- INS Technology. The Administration requests that the conferees provide \$50 million for the force-multiplying Integrated Surveillance Intelligence System (ISIS), which allows for day and night real time monitoring of the border. The first phase of ISIS has been deployed in Arizona, New Mexico, and Texas and the impact on border control and officer safety is dramatic -- agents now respond to actual incursions knowing in advance what awaits them at the border. Border Patrol agents and local ranchers have praised

ISIS as an effective means of border management.

- United States Parole Commission. The Administration urges the conferees to provide the $8 million requested for the U.S. Parole Commission. An increase from the FY 1999 enacted level is necessary for the Parole Commission to assume its new responsibilities for D.C. Code Parolees, as required by the D.C. Revitalization Act.

Department of Commere

- International Trade Administration. The Administration requests that the conferees to strike unnecessary earmarks for International Trade Administration (ITA). For example, in the Senate-passed bill, ITA would receive $3 million more than the President's request. However, the Senate's imposition of unrequested projects would actually result in a $13 million reduction in existing ITA activities, including regional U.S. Export Assistance Centers.

- National Technical Information Service. The Administration urges the conferees to provide the $2 million requested for the National Technical Information Service (NTIS) to facilitate the long-term resolution of NTIS's financial problems in FY 2000. We anticipate working closely with the Congress in resolving these problems.

- Non-decennial Economic and Statistical Analysis. In addition to concerns about the decennial census, the Administration urges that full funding be provided for the high-priority American Community Survey. This Survey will provide timely and reliable housing, social, and economic information for the Nation as well as States and localities. It will also eliminate the need for the "long form" in the 2010 census. The Administration also urges the conferees to provide the requested level for Census Bureau and Economics and Statistics Administration's Salaries and Expenses accounts. The House funding level would significantly undermine these Bureaus' ability to provide reliable and timely information that supports public and private sector economic decision-making.

  Finally, given the positive review by the National Research Council, we request that conferees strike House Report language that would prohibit the Bureau of Economic Analysis from using base funds for Integrated Environmental-Economic Accounting.

- Additional Concerns, Decennial Census. In addition, we are concerned that in the House version of the bill funding for decennial census activities is appropriated by "framework." This would impose potentially harmful restrictions on the Census Bureau's ability to manage the program and respond to a changing environment.

- Patent and Trademark Office. In the House bill, the Patent and Trademark Office's (PTO's) new spending authority is reduced by $51 million from the request. We urge the conferees to enable PTO to utilize the requested amount from earned fees, as is provided for in the Senate version of the bill. Excessive constraints on fee-funded staffing and technology investments when patent and trademark applications are at record levels would make it difficult for PTO to process applications in a timely manner.

- General Administration. The Administration appreciates the Senate's funding level for General Administration, but remains concerned about the impact the House funding level would have on the Department's ability to oversee key Commerce programs.

International Programs

- Other International Accounts. The Administration requests restoration of the full funding for the grant to the Asia Foundation, which works to advance the mutual interests of the United States and the Asia Pacific region. In addition, we are concerned about reductions below the FY 2000 request for the American Institute in Taiwan in the House bill and reductions to the International Commissions in both versions of the bill. Such reductions would place a disproportionate burden on the operating budgets of these small agencies and important programs. Finally, the Administration opposes the House's decision to eliminate funding for the East-West Center and North-South Center. We request that the conferees restore funding for these programs.

- Foreign Policy Restrictions. The Administration strongly opposes section 619 of the Senate bill, which would prohibit the use of funds to detail or otherwise fund employees assigned to the National Security Council (NSC). This provision would adversely affect the NSC's ability to review foreign policy issues that affect national security. In addition, the Administration cannot support report language that recommends reallocation of U.S. Government communications assets of the Diplomatic Telecommunications Service (DTS). The Administration does not support action by the Congress in regard to the DTS because it would prejudge the Administration's own deliberations on how best to meet the communications needs of the U.S. Government.

Kyoto Protocol

- The House bill includes a rider prohibiting implementation of the Kyoto Protocol. The Administration opposes the inclusion of this unnecessary provision because we do not intend to implement the Protocol before Senate advice and consent to ratification. Further, applying these restrictions to international negotiations and activities raises serious Constitutional concerns.

Office of the United States Trade Representative

- The Administration urges the conferees to fully fund the Office of the United States Trade Representative (USTR). The requested level will allow USTR to carry out its extensive and expanding negotiating mandate and will support an expansion of efforts in key and emerging regional areas, including Japan, China, and Africa, as well as on agricultural trade.

Presidential Advisory Commission on Holocaust Assets

- The Administration appreciates House's inclusion of a $1.162 million transfer from the Department of State for the Presidential Advisory Commission on Holocaust Assets in the United States. However, we remain concerned that without funding from both the Departments of Justice and State, the Commission will be unable to fulfill its important mandate to research and report on the collection and disposition of Holocaust-era assets in the United States.

Visa Restrictions

- The Administration opposes language in the House bill that is duplicative of, and less flexible than, existing authority in section 243(d) of the Immigration and Nationality Act. The provision is too broad and could result in the denial of visas to persons who should reasonably be granted the right to enter the United States, such as the immediate family of U.S. citizens. The Administration is currently working to resolve this complicated issue.

Federal Maritime Commission

- The Administration urges full funding of the $15.3 million request for the Federal Maritime Commission. Both the House and Senate propose a funding level of $14.150 million, same as FY 1999. This level would likely require a reduction-in-force and would prevent computer upgrades necessary for Y2K compliance.

Inspectors General

- The Administration objects to the $22 million reduction to the requests for the Inspectors General of the Departments of Justice, State, and Commerce included in the Senate bill. If adopted, the FY 2000 budgets for the Inspectors General would be $11 million (13 percent) below the FY 1999 enacted level. These reductions would jeopardize careful oversight of Departmental programs, including such critical activities as the decennial census and the State Department's worldwide security upgrade program, and would seriously weaken the Departments' ability to conduct financial audits in compliance with Federal law. We urge the conferees to restore funds at least to the level included in the House bill, $5.5 million below the President's request.

World Heritage Sites

- The Administration requests that the conferees delete House language that would limit U.S. participation in maintaining World Heritage Sites.