



THE DIRECTOR

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

August 13, 2001

The Honorable Richard B. Chaney
President of the Senate
Washington, D.C. 20515

Dear Mr. President:

Enclosed is an appropriations report, as required by the Balanced Budget and Emergency Deficit Control Act of 1985 (section 251(a)(7)), as amended, for P.L. 107-20, the Supplemental Appropriations Act, 2001.

Sincerely,

A handwritten signature in blue ink that reads "ME Daniels Jr". The signature is written in a cursive style with a large, looped "J" at the end.

Mitchell E. Daniels, Jr.
Director

Enclosure

Identical Letter Sent to The Honorable J. Dennis Hastert



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The Honorable J. Dennis Hastert
Speaker of the House of
Representatives
Washington, D.C. 20515

Dear Mr. Speaker:

Enclosed is an appropriations report, as required by the Balanced Budget and Emergency Deficit Control Act of 1985 (section 251(a)(7)), as amended, for P.L. 107-20, the Supplemental Appropriations Act, 2001.

Sincerely,

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Mitchell E. Daniels, Jr.
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Identical Letter Sent The Honorable Richard B. Chaney

Table 1.
Estimates Contained in P.L. 107-20
the Supplemental Appropriations Act, 2001
(in millions of dollars)

	<u>FY 2001</u>		<u>FY 2002</u>	
	<u>BA</u>	<u>OL</u>	<u>BA</u>	<u>OL</u>
<u>DISCRETIONARY SPENDING</u>				
CBO ESTIMATE	6,543	1,389	65	4,576
Scorekeeping Differences:				
Interior:				
Reclamation fund and North Platte project.....	---	---	2	2
<p>Sec. 2402 of the bill authorizes the acceptance of a lump sum prepayment of a stream of expenditures of \$110,000 annually between 2001 and 2022. OMB expects no actual prepayment of obligations to be made, therefore OMB scores this provision as zero. CBO assumes \$2 million in receipts in FY 2002.</p>				
Labor:				
Energy employees occupational illness compensation fund.....	---	---	6	1
<p>CBO assumes \$3 million in budget authority for payments to be made in FY 2002. OMB assumes \$9 million. There is also a slight difference in outlays.</p>				
Technical Outlay Estimating Differences:				
Defense:				
<p>The Department of Defense (DoD) has been executing its program in anticipation of receiving a supplemental appropriation. Therefore, OMB assumes that DoD will spend these supplemental funds at the regular, full-year rate. CBO assumes that the late enactment of the supplemental would prevent DoD from executing these funds in the current fiscal year, and assumes the outlays will occur in FY 2002.</p>				
Military personnel, Marine Corps.....	---	52	---	-51
<p>OMB assumes a first-year outlay rate of 96 percent and a second-year rate of 3 percent. CBO assumes a first-year rate of 20 percent and a second-year rate of 77 percent.</p>				

Table 1.
Estimates Contained in P.L. 107-20
the Supplemental Appropriations Act, 2001
(in millions of dollars)

	<u>FY 2001</u>		<u>FY 2002</u>	
	<u>BA</u>	<u>OL</u>	<u>BA</u>	<u>OL</u>
Military personnel, Navy..... OMB assumes a first-year outlay rate of 94 percent and a second-year rate of 4 percent. CBO assumes a first-year rate of 20 percent and a second-year rate of 76 percent.	---	62	---	-61
Military personnel, Army..... OMB assumes a first-year outlay rate of 93 percent and a second-year rate of 6 percent. CBO assumes a first-year rate of 20 percent and a second-year rate of 75 percent.	---	120	---	-113
Reserve personnel, Army..... OMB assumes a first-year outlay rate of 90 percent and a second-year rate of 6 percent. CBO assumes a first-year rate of 19 percent and a second-year rate of 73 percent.	---	37	---	-35
Military personnel, Air Force..... OMB assumes a first-year outlay rate of 93 percent and a second-year rate of 5 percent. CBO assumes a first-year rate of 20 percent and a second-year rate of 76 percent.	---	88	---	-85
Operation and maintenance, Defense-wide..... OMB assumes a first-year outlay rate of 75 percent and a second-year rate of 20 percent. CBO assumes a first-year rate of 15 percent and a second-year rate of 63 percent.	---	73	---	-53
Overseas contingency operations transfer account..... OMB assumes that 75 percent of the outlay savings associated with the \$200 million rescission will occur in FY 2001 and 20 percent in FY 2002. CBO assumes that 16 percent will occur in FY 2001 and 63 percent in FY 2002.	---	-118	---	86
Defense health program..... OMB assumes a first-year outlay rate of 80 percent and a second-year rate of 17 percent. CBO assumes a first-year rate of 18 percent and a second-year rate of 70 percent.	---	1,010	---	-842
Operation and maintenance, Marine Corps..... OMB assumes a first-year outlay rate of 68 percent and a second-year rate of 26 percent. CBO assumes a first-year rate of 15 percent and a second-year rate of 60 percent.	---	33	---	-21

Table 2.
ENACTED APPROPRIATIONS AS OF August 7, 2001
(in millions of dollars)

	FY 2001		FY 2002	
	BA	Outlays	BA	Outlays
Highway Category Spending				
Highway Category Spending Limits ¹	---	26,920	---	28,489
Amount Previously Enacted.....	---	26,897	---	---
Amount Provided in P.L. 107-20, Supplemental Appropriations Act, 2001.....	---	---	---	---
	-----	-----	-----	-----
Total Enacted, Highway Category Spending.....	---	26,897	---	---
<hr/>				
Appropriations over/under (-) spending limits.....	---	-23	---	-28,489
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Mass Transit Category Spending				
Mass Transit Spending Limits ¹	---	4,639	---	5,275
Amount Previously Enacted.....	---	4,639	---	---
Amount Provided in P.L. 107-20, Supplemental Appropriations Act, 2001.....	---	---	---	---
	-----	-----	-----	-----
Total Enacted, Mass Transit Category Spending.....	---	4,639	---	---
<hr/>				
Appropriations over/under (-) spending limits.....	---	---	---	-5,275
<hr/>				
Conservation Category Spending				
Conservation Spending Limits ¹	N/A	N/A	1,760	1,232
Amount Previously Enacted.....	N/A	N/A	---	---
Amount Provided in P.L. 107-20, Supplemental Appropriations Act, 2001.....	N/A	N/A	---	---
	-----	-----	-----	-----
Total Enacted, Conservation Category Spending.....	N/A	N/A	---	---
<hr/>				
Appropriations over/under (-) spending limits.....	N/A	N/A	-1,760	-1,232

Table 2.
ENACTED APPROPRIATIONS AS OF August 7, 2001
(in millions of dollars)

	FY 2001		FY 2002	
	BA	Outlays	BA	Outlays
Other Discretionary Spending				
Other Discretionary Spending Limits ¹	640,803	620,392	546,945	537,383
Amount Previously Enacted ²	634,258	615,494	---	292
Amount Provided in P.L. 107-20, Supplemental Appropriations Act, 2001	6,543	4,898	73	1,549
	-----	-----	-----	-----
Total Enacted, Other Discretionary Spending.....	640,801	620,392	73	1,841
Appropriations over/under (-) spending limits				
	-2	---	-546,872	-535,542
Total Discretionary Spending				
Total Discretionary Spending limits ¹	640,803	651,951	548,705	572,379
Amount Previously Enacted.....	634,258	647,030	---	292
Amount Provided in P.L. 107-20, Supplemental Appropriations Act, 2001	6,543	4,898	73	1,549
	-----	-----	-----	-----
Total Enacted, Total Discretionary Spending.....	640,801	651,928	73	1,841
Appropriations Over/Under (-) Spending Limits				
	-2	-23	-548,632	-570,538

¹ FY 2001 and FY 2002 limits are the limits included in the August Update Report that will be transmitted to the Congress in August. They include: enacted emergency appropriations, released contingent emergency appropriations, and the special outlay allowance, as permitted under the Budget Enforcement Act (BEA) of 1997.

² Includes \$451 million in FY 2001 outlays and \$292 million in FY 2002 outlays associated with the releases of contingent emergency funding for the Federal Emergency Management Agency on 4/12/2001, 6/25/2001, and 7/31/2001.