

Office of Management and Budget

News Release

For Immediate Release

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President Submits \$6.5 Billion Supplemental Appropriation Request to Congress, Seeks Enactment by July 4th; Request for Routine Government Operations Fits Within FY 2001 Spending Caps

Washington, DC, June 1, 2001 -- President George W. Bush today submitted to Congress \$6.5 billion in supplemental spending requests for FY 2001 to make up for shortfalls in routine government operations. The supplemental funding request fits within the discretionary spending caps established by Congress last year. The President asked Congress to swiftly consider the funding request and enact the measure before the July 4th holiday.

The proposed new funding would go to the Departments of Agriculture, Defense (including the Army Corps of Engineers), Energy, Health and Human Services, Housing and Urban Development, the Interior, Transportation, the Treasury, and Veterans Affairs; International Assistance Programs; and the National Aeronautics and Space Administration.

In his transmittal letter to Congress, President George W. Bush said, "The supplemental request is primarily for defense activities related to pay, support, training and quality of life for military personnel, as well as the regular operations costs in the current fiscal year. It is imperative to reverse the pattern of underfunding these costs in the annual appropriations process."

"The Department of Defense was underfunded in the budget we inherited. This \$5.6 billion in new net funding is needed to maintain critical operations for the remainder of the fiscal year. Additionally, new funds will also help low-income people with rising energy costs, protect against foot and mouth disease, enhance security for the Salt Lake City Winter Olympics, and increase energy efficiency at the Government Printing Office. We believe that this request covers all the outstanding funding needs of the government for this fiscal year, and we will recommend that the President not sign a bill that provides more discretionary spending than the spending caps allow," said Office of Management and Budget Director Mitchell E. Daniels, Jr.

The supplemental request also proposes that the statutory limits for spending on Veterans' education and healthcare benefits be lifted to allow \$936 million for those benefits in FY 2001. The impact of this mandatory spending is already reflected in the baseline spending levels assumed by the Congressional Budget Office and the President's budget.

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