

THE WHITE HOUSE

WASHINGTON

April 5, 2016

Dear Mr. Speaker:

I ask the Congress to consider the enclosed Fiscal Year (FY) 2017 Budget amendments for the Departments of Agriculture, Defense, Education, Homeland Security, State and Other International Programs, and Transportation, as well as the National Aeronautics and Space Administration, the Public Defender Service for the District of Columbia, the Surface Transportation Board, and the U.S. Holocaust Memorial Museum. Also included is an amendment to a general provision included in Title VI of the Financial Services and General Government Appropriations Act, 2016, that would affect the Federal Trade Commission. These amendments are necessary to reflect correctly policies assumed in my FY 2017 Budget. These amendments would increase by \$4 million the overall discretionary budget authority in my FY 2017 Budget.

This transmittal also includes FY 2017 Budget amendments for the Legislative Branch. As a matter of comity and tradition, these appropriations requests for the Legislative Branch are transmitted without change. These amendments would decrease by \$25 million the overall discretionary budget authority in my FY 2017 Budget.

Moreover, provided for your consideration are FY 2017 amendments for the Department of Energy. Included is an amendment that would initiate modernization of Strategic Petroleum Reserve (SPR) infrastructure, which is at the end of its design life, as well as fund SPR marine terminal distribution capacity enhancements. Consistent with authorities provided in the Bipartisan Budget Act of 2015, these initiatives would be funded by the sale of crude oil from the Reserve in FY 2017. Also included are two offsetting amendments that would provide an increased amount to fund a portion of settlement costs related to the February 2014 incidents at the Waste Isolation Pilot Plant in Carlsbad, New Mexico, including the associated

activities at Los Alamos National Laboratory. The FY 2017 budget authority totals would not be affected by these amendments.

Taken together, the transmitted amendments would decrease by \$21 million the overall discretionary budget authority in the FY 2017 Budget.

The details of these amendments are set forth in the enclosure from the Director of the Office of Management and Budget.

Sincerely,

A handwritten signature in black ink, appearing to be "P. Ryan", written in a cursive style. The signature is enclosed within a large, hand-drawn circle.

The Honorable Paul D. Ryan
Speaker of the
House of Representatives
Washington, D.C. 20515



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

Estimate No. 2
114th Congress, 2nd Session

THE DIRECTOR

April 5, 2016

The President
The White House

Dear Mr. President:

Submitted for your consideration are amendments to your Fiscal Year (FY) 2017 Budget for the Departments of Agriculture, Defense, Education, Homeland Security, State and Other International Programs, and Transportation, as well as the National Aeronautics Space Administration, the Public Defender Service for the District of Columbia, the Surface Transportation Board, and the U.S. Holocaust Memorial Museum. Also included is an amendment to a general provision included in Title VI of the Financial Services and General Government Appropriations Act, 2016, that would affect the Federal Trade Commission. These amendments would increase by \$4 million the overall discretionary budget authority in your FY 2017 Budget. The amendments are necessary to reflect correctly policies assumed in your FY 2017 Budget.

Moreover, provided for your consideration are FY 2017 amendments for the Department of Energy. Included is an amendment that would initiate modernization of Strategic Petroleum Reserve (SPR) infrastructure, which is at the end of its design life, as well as fund SPR marine terminal distribution capacity enhancements. Consistent with authorities provided in the Bipartisan Budget Act of 2015, these initiatives would be funded by the sale of crude oil from the Reserve in FY 2017. Also included are two offsetting amendments that would provide an increased amount to fund a portion of settlement costs related to the February 2014 incidents at the Waste Isolation Pilot Plant in Carlsbad, New Mexico, including the associated activities at Los Alamos National Laboratory. The FY 2017 budget authority totals would not be affected by these amendments.

This transmittal also includes FY 2017 Budget amendments for the Legislative Branch. As a matter of comity and tradition, these appropriations requests for the Legislative Branch are transmitted without change. These amendments would decrease by \$25 million the overall discretionary budget authority in your FY 2017 Budget.

Taken together, the transmitted amendments would decrease by \$21 million the overall discretionary budget authority in your FY 2017 Budget.

Recommendation

I have reviewed these amendments and I am satisfied that they are necessary at this time.

Therefore, I join the heads of the affected Departments and agencies in recommending that you transmit the amendments to the Congress.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Shaun Donovan', with a long horizontal flourish extending to the right.

Shaun Donovan
Director

Enclosures

Agency: DEPARTMENT OF AGRICULTURE
Heading: TITLE VII—GENERAL PROVISIONS
FY 2017 Budget Appendix Page: 183
FY 2017 Pending Request: ---
Proposed Amendment: Language
Revised Request: ---

(In the appropriations language under the above heading, delete sections 727 and 728 in their entirety and renumber the subsequent sections accordingly.)

This amendment would remove appropriations language inadvertently included in the FY 2017 Budget that would repurpose emergency funds for non-emergency purposes and result in an unintended scoring impact. This amendment is necessary to reflect correctly the policy assumed in the FY 2017 Budget.

(In the appropriations language under the above heading, in the newly renumbered section 730 add the following new language immediately after "14(h)(1)(G)" and just before "for":)

of the Watershed and Flood Protection Act (16 U.S.C. 1012(h)(1)(A)-(G))

This amendment would provide the full legal citation that was inadvertently omitted from the language.

The proposed FY 2017 Budget totals would not be affected by these technical language amendments.

Agency: DEPARTMENT OF DEFENSE
Heading: TITLE VIII—GENERAL PROVISIONS
FY 2017 Budget Appendix Page: 320
FY 2017 Pending Request: ---
Proposed Amendment: Language
Revised Request: ---

(In the appropriations language under the above heading, delete the text of section 8050 and substitute Of the amounts appropriated in this Act for "Operation and Maintenance, Navy", \$274,524,000, to remain available until expended, may be used for any purposes related to the National Defense Reserve Fleet established under section 11 of the Merchant Ship Sales Act of 1946 (50 U.S.C. 4405): Provided, That such amounts are available for reimbursements to the Ready Reserve Force, Maritime Administration account of the United States Department of Transportation for programs, projects, activities, and expenses related to the National Defense Reserve Fleet.)

This amendment would revise existing language that provides the Department of Defense (DOD) with transfer authority to the Department of Transportation, Maritime Administration's Ready Reserve Force account for expenses related to the National Defense Reserve Fleet. Instead of transfer authority, the amendment would make available from DOD's Operation and Maintenance, Navy account \$275 million for reimbursements to the Maritime Administration's Ready Reserve Force account for programs, projects, activities, and expenses related to the National Defense Reserve Fleet. This amendment is necessary to reflect correctly the policy assumed in the FY 2017 Budget.

The proposed FY 2017 Budget totals would not be affected by this technical language amendment.

Agency: DEPARTMENT OF EDUCATION

Bureau: OFFICE OF INNOVATION AND IMPROVEMENT

Heading: Innovation and Improvement

FY 2017 Budget
Appendix Pages: 359-360

FY 2017
Pending Request: \$1,331,556,000

Proposed Amendment: \$80,000,000

Revised Request: \$1,411,556,000

(In the appropriations language under the above heading, delete "\$1,331,556,000" and substitute \$1,411,556,000; and add the following new language immediately after the last proviso and just before the period:)

: Provided further, That \$80,000,000 shall be for competitive grants to local educational agencies, in partnership with one or more institutions of higher education and other public or private entities, which may include businesses, to promote the whole school redesign of the high school experience in order to provide students with challenging and relevant academic and career-related learning experiences that prepare them for postsecondary education and careers, of which one-half of 1 percent shall be reserved for the Secretary of the Interior for activities consistent with the purpose of this proviso, and of which up to 2.5 percent may be reserved for national activities

This amendment would increase the Department of Education's Innovation and Improvement account by \$80 million for the proposed Next Generation High Schools program. The proposed competitive grants program was erroneously funded in the Department's legislative proposal for the Career, Technical and Adult Education (CTAE) account, which has been corrected in the FY 2017 Budget database by a corresponding decrease. This amendment would also provide the authority to create the proposed program. This amendment is necessary to reflect correctly the policy assumed in the FY 2017 Budget.

Taken together with the correction for the CTAE account in the FY 2017 Budget database, the proposed FY 2017 budget authority totals would not be affected by this technical amendment.

Agency: DEPARTMENT OF ENERGY
Bureau: NATIONAL NUCLEAR SECURITY ADMINISTRATION
Heading: Weapons Activities
FY 2017 Budget Appendix Page: 396
FY 2017 Pending Request: \$9,285,147,000
Proposed Amendment: Language
Revised Request: \$9,285,147,000

(In the appropriations language under the above heading, delete "\$42,000,000" and substitute \$50,400,000.)

This amendment would increase by \$8.4 million the amount proposed to be cancelled from available, unobligated prior-year balances in the Department of Energy's Weapons Activities account. This request would fully offset an increase of \$8.4 million in budget authority for the Department's Defense Environmental Cleanup account, as described in an accompanying amendment. Taken together, the proposed FY 2017 budget authority totals would not be affected by this amendment.

Agency: DEPARTMENT OF ENERGY
Bureau: ENVIRONMENTAL AND OTHER DEFENSE ACTIVITIES
Heading: Defense Environmental Cleanup
FY 2017 Budget Appendix Page: 399
FY 2017 Pending Request: \$5,382,050,000
Proposed Amendment: \$8,400,000
Revised Request: \$5,390,450,000

(In the appropriations language under the above heading, delete "\$5,382,050,000" and substitute \$5,390,450,000.)

This amendment would increase by \$8.4 million the appropriations request for the Department of Energy's (DOE), Defense Environmental Cleanup account. This proposed increase is needed to fund a portion of settlement costs to resolve the New Mexico Environment Department claims against DOE related to the February 2014 incidents at the Waste Isolation Pilot Plant (WIPP) in Carlsbad, New Mexico, including the associated activities at Los Alamos National Laboratory. The additional \$8.4 million will allow DOE's Office of Environmental Management to pay a total of \$26.8 million to the State of New Mexico for necessary repairs to its roads needed for transportation of DOE shipments of transuranic waste to WIPP.

The proposed \$8.4 million increase would be fully offset by a corresponding increase in the amount proposed to be cancelled from available, unobligated prior-year balances in the Department's Weapons Activities account, as described in an accompanying amendment. Taken together, the proposed FY 2017 budget authority totals would not be affected by this amendment.

Agency: DEPARTMENT OF ENERGY

Bureau: ENERGY PROGRAMS

Heading: Energy Security and Infrastructure Modernization Fund

FY 2017 Budget Appendix Page: 417

FY 2017 Pending Request: ---

Proposed Amendment: \$375,400,000

Revised Request: \$375,400,000

(Under the above bureau, immediately before the heading "Energy Information Administration" and just after the Bodoni dash, insert the above new heading, the following new appropriations language, and a new Bodoni dash:)

As authorized by section 404 of the Bipartisan Budget Act of 2015 (Public Law 114-74), the Secretary of the Department of Energy shall drawdown and sell not to exceed \$375,400,000 of crude oil from the Strategic Petroleum Reserve in fiscal year 2017: Provided, That the proceeds from such drawdown and sale shall be deposited into the Energy Security and Infrastructure Modernization Fund during fiscal year 2017 and shall remain available until expended for necessary expenses in carrying out construction, maintenance, repair, and replacement activities of the Strategic Petroleum Reserve.

This amendment would allow for the deposit of, and appropriate, oil sale proceeds in the Energy Security and Infrastructure Modernization Fund, authorized by section 404 of the Bipartisan Budget Act of 2015 (Public Law 114-74). Pursuant to section 404(c) of such Act, it would allow for the sale of up to \$375.4 million worth of Strategic Petroleum Reserve (SPR) oil in fiscal year (FY) 2017. It also would make such proceeds available to fund SPR modernization activities, including life extension of SPR infrastructure and marine terminal distribution enhancements. Because the oil sale authority provided in section 404 expires in FY 2020, this Budget amendment is necessary to ensure that there is sufficient time to conduct oil sales, as well as conduct design work and procure specialized equipment that requires a long-lead time to manufacture.

The proposed FY 2017 Budget totals would not be affected by this amendment.

Agency: DEPARTMENT OF HOMELAND SECURITY
Bureau: DEPARTMENTAL MANAGEMENT AND OPERATIONS
Heading: Analysis and Operations
FY 2017 Budget Appendix Page: 517
FY 2017 Pending Request: \$265,719,000
Proposed Amendment: Language
Revised Request: \$265,719,000

(In the appropriations language under the above heading, add the following new language immediately after the second semi-colon and just before the phrase "and of which":)

of which not to exceed \$2,000,000 is available for facility needs associated with secure space at fusion centers, including improvements to buildings;

This amendment would add language providing funding related to facilities needs for secure space at fusion centers that was inadvertently omitted. This language would maintain for FY 2017 the authority provided in the FY 2016 enacted appropriation for the Department's Analysis and Operations account and is consistent with the policy assumed in the FY 2017 Budget.

The proposed FY 2017 Budget totals would not be affected by this technical language amendment.

Agency: DEPARTMENT OF HOMELAND SECURITY
Bureau: U.S. CUSTOMS AND BORDER PROTECTION
Heading: Operations and Support
FY 2017 Budget
Appendix Page: 523
FY 2017
Pending Request: \$11,333,352,000
Proposed Amendment: -\$5,394,000
Revised Request: \$11,327,958,000

(In the appropriations language under the above heading, delete "\$11,333,352,000" and substitute \$11,327,958,000.)

This amendment would correct the appropriations request for the U.S. Customs and Border Protection, Operations and Support account, which is overstated by the inadvertent inclusion of \$5 million of unaccompanied children contingency funding. The FY 2017 Budget database, however, provides the correct appropriations amount. This amendment is necessary to reflect accurately the policy assumed in the FY 2017 Budget.

The proposed FY 2017 Budget totals would not be affected by this technical amendment.

Agency: DEPARTMENT OF HOMELAND SECURITY
Bureau: NATIONAL PROTECTION AND PROGRAMS DIRECTORATE
Heading: Operations and Support
FY 2017 Budget Appendix Page: 552
FY 2017 Pending Request: \$1,152,502,000
Proposed Amendment: -\$5,000,000
Revised Request: \$1,147,502,000

(In the appropriations language under the above heading, delete "\$1,152,502,000" and substitute \$1,147,502,000.)

This amendment would decrease by \$5 million the appropriations request for the Department of Homeland Security's National Protection and Programs Directorate Operations and Support account, specifically for the following programs: Infrastructure Analysis (-\$1.902 million); Infrastructure Capacity Building (-\$1.588 million); and Protect Infrastructure (-\$1.510 million). This amendment would ensure that the overall request is consistent with the FY 2017 defense function budget cap after accounting for an error in the FY 2017 Budget database.

The proposed FY 2017 budget authority totals would be reduced by \$5 million as a result of this technical amendment.

Agency: DEPARTMENT OF HOMELAND SECURITY

Heading: GENERAL PROVISIONS

FY 2017 Budget
Appendix Pages: 581-582

FY 2017
Pending Request: ---

Proposed Amendment: Language

Revised Request: ---

(In the appropriations language under the above heading, in section 539, delete "\$300,000,000" and substitute \$325,000,000.)

The amendment to section 539 is necessary to address a proposal mistakenly included in a subsequent section (section 540), which is addressed below. The amendment to section 539 would increase by \$25 million the proposed cancellation of non-emergency funding in the Federal Emergency Management Agency's (FEMA) Disaster Relief Fund.

(In the appropriations language under the above heading, in section 540, delete "\$73,000,000" and substitute \$95,000,000; delete the phrase "and \$47,000,000 appropriated by Public Law 110-28 are" and substitute is.)

The amendment to section 540 would increase by \$22 million the proposed cancellation of non-emergency funding from Public Law 109-88 in FEMA's Disaster Assistance Direct Loan Program Account, which would exhaust the balances in that account. In addition, the amendment would delete the proposed cancellation of \$47 million of discretionary balances that are designated as emergency and cannot be used to offset non-emergency spending.

Taken together, the amendments to sections 539 and 540 would propose a total cancellation of \$47 million in order to offset the proposed cancellation of \$47 million in discretionary balances that are designated as emergency, which was inadvertently included in the FY 2017 Budget.

(In the appropriations language under the above heading, delete section 541 in its entirety and renumber the subsequent sections accordingly.)

This amendment would delete section 541, which would allow the transfer of balances in FY 2017 from the Office of Secretary and Executive Management account to the Office of Chemical, Biological, Radiological, Nuclear, and Explosives (OCBRNE). The Department expects to expend during FY 2016 the amount that would have been available for transfer to OCBRNE. Therefore, the provision is not necessary.

The proposed FY 2017 Budget totals would not be affected by these technical language amendments.

Agency: DEPARTMENT OF STATE AND OTHER INTERNATIONAL PROGRAMS

Heading: GENERAL PROVISIONS

FY 2017 Budget
Appendix Page: 935

FY 2017
Pending Request: ---

Proposed Amendment: Language

Revised Request: ---

(In the appropriations language under the above heading, in section 7061, delete "such Act" and substitute the Balanced Budget and Emergency Deficit Control Act of 1985.)

This amendment would provide the correct name of the Act associated with the referenced section 251(b)(2)(A). This amendment is necessary to reflect correctly the policy assumed in the FY 2017 Budget.

The proposed FY 2017 Budget totals would not be affected by this technical language amendment.

Agency: DEPARTMENT OF TRANSPORTATION
Bureau: FEDERAL RAILROAD ADMINISTRATION
Heading: Administrative Provisions
FY 2017 Budget Appendix Page: 988
FY 2017 Pending Request: ---
Proposed Amendment: Language
Revised Request: ---

(In the appropriations language under the above heading, delete section 151 in its entirety.)

This amendment would remove language to expand the Federal Railroad Administration's authority to enter into contracts, leases, and other agreements. The proposal would have resulted in an unintended scoring impact. This amendment is necessary to reflect correctly the policy assumed in the FY 2017 Budget.

The proposed FY 2017 Budget totals would not be affected by this technical language amendment.

Heading: TITLE VI—GENERAL PROVISIONS

FY 2017 Budget
Appendix Page: 1071

FY 2017
Pending Request: ---

Proposed Amendment: Language

Revised Request: ---

(In the appropriations language under the above heading, in section 622(b) delete "2018" and substitute 2017.)

This amendment would correct the calendar date in section 622(b) from October 1, 2018 to October 1, 2017, so that this proposal for the Hart-Scott-Rodino pre-merger filing fees collected by the Federal Trade Commission becomes effective in fiscal year 2018, as intended in the FY 2017 Budget.

The proposed FY 2017 Budget totals would not be affected by this technical language amendment.

Agency: NATIONAL AERONAUTICS AND SPACE
ADMINISTRATION

Heading: ADMINISTRATIVE PROVISIONS

FY 2017 Budget
Appendix Page: 1193

FY 2017
Pending Request: ---

Proposed Amendment: Language

Revised Request: ---

(In the appropriations language under the above heading, in the second paragraph delete the opening and closing brackets.)

This amendment would restore an administrative provision, inadvertently marked for deletion that provides transfer authority for the National Aeronautics and Space Administration (NASA). This transfer authority was provided to NASA most recently in the FY 2016 Consolidated Appropriations Act, as well as in prior years. This amendment is necessary to reflect correctly the policy assumed in the FY 2017 Budget.

The proposed FY 2017 Budget totals would not be affected by this technical language amendment.

Agency:	OTHER INDEPENDENT AGENCIES
Bureau:	PUBLIC DEFENDER SERVICE FOR THE DISTRICT OF COLUMBIA
Heading:	Federal Payment to the District of Columbia Public Defender Service
FY 2017 Budget Appendix Page:	1335
FY 2017 Pending Request:	\$41,829,000
Proposed Amendment:	Language
Revised Request:	\$41,829,000

(In the appropriations language under the above heading, delete the second and third provisos.)

This amendment would delete two provisos in the Public Defender Service for the District of Columbia, Federal Payment to the District of Columbia Public Defender Service account. With the January 28, 2016 enactment of the District of Columbia Courts, Public Defender Service, and Court Services and Offender Supervision Agency Act of 2015 (Public Law 114-118), inclusion of these two provisos in the account language is unnecessary.

The proposed FY 2017 Budget totals would not be affected by this technical language amendment.

Agency: OTHER INDEPENDENT AGENCIES
Bureau: SURFACE TRANSPORTATION BOARD
Heading: Salaries and Expenses
FY 2017 Budget
Appendix Page: 1351
FY 2017
Pending Request: \$32,000,000 (net)
Proposed Amendment: \$9,151,404
Revised Request: \$41,151,404 (net)

(In the appropriations language under the above heading, delete "\$33,250,000" and substitute \$42,401,404 and delete "\$32,000,000" and substitute \$41,151,404.)

This amendment would increase by \$9 million the Surface Transportation Board's (STB) appropriations request in the FY 2017 Budget. The STB became an independent agency on December 18, 2015, pursuant to the Surface Transportation Board Reauthorization Act of 2015 (Public Law 114-110). As such, it is not required to submit a budget request for approval before submitting it to the Congress. Pursuant to its new authority, STB revised its submission to OMB and formally submitted the revised FY 2017 Budget to the Congress and OMB concurrently on February 9, 2016. This amendment is necessary to reflect correctly the revised amount.

The proposed FY 2017 Budget totals would increase by \$9 million as a result of this technical amendment.

Agency: OTHER INDEPENDENT AGENCIES
Bureau: UNITED STATES HOLOCAUST MEMORIAL MUSEUM
Heading: Holocaust Memorial Museum
FY 2017 Budget
Appendix Page: 1358
FY 2017
Pending Request: \$56,999,500
Proposed Amendment: Language
Revised Request: \$56,999,500

(In the appropriations language under the above heading, delete "\$865,000" and substitute \$1,215,000 and delete "\$2,200,000" and substitute \$2,500,000.)

This amendment would provide the correct totals for repair and rehabilitation and equipment replacement activities, consistent with the policy assumed in the FY 2017 Budget.

The proposed FY 2017 Budget totals would not be affected by this technical language amendment.

Agency: LEGISLATIVE BRANCH
Bureau: LEGISLATIVE BOARDS AND COMMISSIONS
Heading: Capital Construction, Dwight D. Eisenhower Memorial
Commission
FY 2017 Budget
Appendix Page: 41
FY 2017
Pending Request: \$68,000,000
Proposed Amendment: -\$25,000,000
Revised Request: \$43,000,000

(Under the above heading, add the following new language:)

For necessary expenses of the Dwight D. Eisenhower Memorial Commission for design and construction of a memorial in honor of Dwight D. Eisenhower, as authorized by Public Law 106-79, \$43,000,000, to remain available until expended.

This amendment would add appropriations language requesting \$43 million for the design and construction of the Dwight D. Eisenhower Memorial Commission. This appropriations language was inadvertently omitted from the FY 2017 Budget. This amendment would also adjust downward the \$68 million that was erroneously included in the FY 2017 Budget database to reflect correctly the Commission's intended appropriations request of \$43 million for this account.

The proposed FY 2017 Budget totals would decrease by \$25 million as a result of this technical amendment.

Agency: LEGISLATIVE BRANCH
Bureau: LEGISLATIVE BRANCH BOARDS AND COMMISSIONS
Heading: Open World Leadership Center Trust Fund
FY 2017 Budget Appendix Page: 41
FY 2017 Pending Request: \$5,800,000
Proposed Amendment: Language
Revised Request: \$5,800,000

(In the appropriations language under the above heading, add senior immediately before "officials".)

This amendment would add language inadvertently omitted. The proposed FY 2017 Budget totals would not be affected by this technical language amendment.