

THE WHITE HOUSE
WASHINGTON

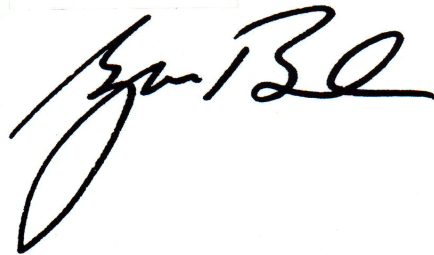
June 9, 2008

Dear Madam Speaker:

I ask the Congress to consider the enclosed amendments to my FY 2009 Budget requests for the Departments of Agriculture, Energy, Homeland Security, Housing and Urban Development, the Interior, Labor, Transportation, and the Treasury; as well as the Corps of Engineers, the National Aeronautics and Space Administration, and the Office of Personnel Management. These amendments will decrease by \$3 million the overall discretionary budget authority in my FY 2009 Budget.

These amendments are necessary to correctly reflect policies proposed in the FY 2009 Budget. The details of these amendments are set forth in the enclosed letter from the Director of the Office of Management and Budget.

Sincerely,

A handwritten signature in black ink, appearing to be "George W. Bush", written over a light-colored rectangular stamp area.

The Honorable Nancy Pelosi
Speaker of the House of Representatives
Washington, D.C. 20515



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

THE DIRECTOR

June 9, 2008

The President
The White House

Submitted for your consideration are amendments to your FY 2009 Budget for the Departments of Agriculture, Energy, Homeland Security, Housing and Urban Development, the Interior, Labor, Transportation, and the Treasury; as well as the Corps of Engineers, the National Aeronautics and Space Administration (NASA), and the Office of Personnel Management. These amendments are necessary to correctly reflect policies assumed in your FY 2009 Budget. They will also decrease by \$3 million the overall discretionary budget authority in your FY 2009 Budget.

In a letter dated February 15, 2008, the Office of Management and Budget provided advance notice to the Congress of the aforementioned NASA amendment so that it could be considered before the Congressional Budget Office completed action on their Reestimate of your Budget. The proposed amendment clarifies the pending language that would allow NASA to disburse funds for the purpose of liquidating obligations related to the closeout of the Space Shuttle contracts. In the absence of such clarification, it could have been assumed that the pending language was requesting a reappropriation of funds.

Recommendation

I have reviewed these amendments and am satisfied that they are necessary at this time. Therefore, I join the heads of the affected agencies in recommending that you transmit the amendments to the Congress.

Sincerely,

A handwritten signature in blue ink that reads "Jim Nussle". The signature is stylized and cursive.

Jim Nussle
Director

Enclosures

Agency: DEPARTMENT OF AGRICULTURE

Heading: General Provisions

FY 2009 Budget
Appendix Page: 199

FY 2009
Pending Request: ---

Proposed Amendment: Language

Revised Request: ---

(In section 713 under the above heading, delete "unobligated balances" and substitute funding.)

This amendment would clarify the intent to cancel \$293 million of available budgetary resources. The Administration proposed a \$293 million cancellation of mandatory unobligated balances in the Section 32 program. Although there are sufficient budgetary resources in this account available for cancellation, there might be a question as to which of these resources are unobligated balances and which are new budget authority because of the mandatory nature of the funds.

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

Agency: DEPARTMENT OF AGRICULTURE

Heading: General Provisions

FY 2009 Budget
Appendix Page: 201

FY 2009
Pending Request: ---

Proposed Amendment: Language

Revised Request: ---

(In the appropriations language under the above heading, insert the following new paragraph immediately after the language in Sec. 717 and before the opening parenthesis of the bill citation:)

Sec. 718. Section 739 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriation Act, 2001 (H.R. 5426 as enacted by Public Law 106-387, 114 Stat. 1549A-34) is amended by striking "2 percent" and inserting "3 percent".

This request would amend the Department of Agriculture's (USDA's) General Provisions by adding section 718, which was omitted inadvertently from the FY 2009 Budget. This provision would allow for the guarantee fee on USDA's single-family housing guaranteed loans to be increased to three percent from two percent, and would cause the loans to be less costly for the Government without a significant additional burden to the borrower.

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

Agency: DEPARTMENT OF ENERGY
Bureau: ENERGY PROGRAMS
Heading: Fossil Energy Research and Development
FY 2009 Budget Appendix Page: 395
FY 2009 Pending Request: ---
Proposed Amendment: Language
Revised Request: ---

(In the appropriations language under the above heading, delete "or FutureGen" from the third proviso.)

This amendment would eliminate the requirement that projects funded in the FutureGen program have the Federal share of project funding appropriated in full at the time of selection. This provision would provide the Secretary of Energy with the discretion to fully fund FutureGen projects or to fund them incrementally. If the Department of Energy decides to fund them incrementally, the Department's program regulations and contracts will ensure that the Department does not incur obligations in excess of the appropriated amounts that are available to cover those obligations.

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

Agency: DEPARTMENT OF HOMELAND SECURITY
Bureau: DEPARTMENTAL MANAGEMENT AND OPERATIONS
Heading: Departmental Operations, Office of the Under Secretary for Management
FY 2009 Budget Appendix Page: 475
FY 2009 Pending Request: \$320,093,000
Proposed Amendment: \$86,000
Revised Request: \$320,179,000

This amendment would increase the Departmental Operations, Office of the Under Secretary for Management account by \$86 thousand to reflect correctly the increase to the account provided by the Department of Defense for National Intelligence Programs.

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

Agency: DEPARTMENT OF HOMELAND SECURITY
Bureau: DEPARTMENTAL MANAGEMENT AND OPERATIONS
Heading: Analysis and Operations
FY 2009 Budget
Appendix Page: 476
FY 2009
Pending Request: \$333,262,000
Proposed Amendment: \$259,000
Revised Request: \$333,521,000

This amendment would increase the Analysis and Operations account by \$259 thousand to reflect correctly the increase to the account provided by the Department of Defense for National Intelligence Programs. As a result of this request the account total, when rounded to millions, would increase by \$1 million.

The proposed Budget totals would increase by \$1 million as a result of this amendment.

Agency: DEPARTMENT OF HOMELAND SECURITY
Bureau: CITIZENSHIP AND IMMIGRATION SERVICES
Heading: United States Citizenship and Immigration Services
FY 2009 Budget
Appendix Pages: 480-481
FY 2009
Pending Request: \$154,540,000
Proposed Amendment: -\$4,000,000
Revised Request: \$150,540,000

This amendment would decrease by -\$4 million the U.S. Citizenship and Immigration Services (CIS) account total to reflect the correct policy amount. The discretionary appropriation was mistakenly inflated by \$4 million. It was assumed that the administrative expenses had to "cover" the mandatory funds from Immigration Examinations Fees that are transferred from CIS to the Department of Justice, Administrative Review and Appeals account pursuant to appropriations language in the latter account. The transfer from CIS should have been coded as a modification of a mandatory program so that it would be apparent that the transfer was coming from the mandatory fees and not the discretionary appropriation.

The proposed Budget totals would decrease by -\$4 million as a result of this amendment.

Agency: DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Heading: General Provisions

FY 2009 Budget
Appendix Page: 596

FY 2009
Pending Request: ---

Proposed Amendment: Language

Revised Request: ---

(In the appropriations language under the above heading, insert the following new provision after Sec. 217 and before the opening parenthesis of the bill citation:)

Sec. 218. Section 226 of the Department of Housing and Urban Development Appropriations Act, 2008 (Public Law 110-161, Division K), is amended by striking "and in future Acts".

This amendment would repeal language that prohibits the Secretary of Housing and Urban Development from imposing any requirement or guideline relating to asset management that restricts or limits in any way the use of capital funds for central office costs in Public Law 110-161, Division K, the FY 2008 Department of Housing and Urban Development Appropriations Act, and in future Acts. This provision was omitted inadvertently from the FY 2009 Budget.

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

Agency: DEPARTMENT OF THE INTERIOR
Bureau: DEPARTMENTAL OFFICES
Heading: Office of the Secretary, Salaries and Expenses
FY 2009 Budget
Appendix Page: 666
FY 2009
Pending Request: \$105,787,000
Proposed Amendment: \$108,000
Revised Request: \$105,895,000

This amendment would increase the Office of the Secretary, Salaries and Expenses account by \$108 thousand to reflect correctly the policy assumed in the FY 2009 Budget. The proposed Budget totals would not be affected by this amendment.

Agency: DEPARTMENT OF LABOR
Bureau: EMPLOYMENT AND TRAINING ADMINISTRATION
Heading: Training and Employment Services
FY 2009 Budget
Appendix Page: 733
FY 2009
Pending Request: \$3,060,923,000
Proposed Amendment: Language
Revised Request: \$3,060,923,000

(In the appropriations language under the above heading, in paragraph (3)(C) after "Act" and before the semicolon insert:)

, which shall be available for the period April 1, 2009 through June 30, 2010.

This amendment would reflect correctly the period of availability of funds for YouthBuild activities, which is funded on a program year basis. The proposed Budget totals would not be affected by this language amendment.

Agency: DEPARTMENT OF TRANSPORTATION
Bureau: FEDERAL AVIATION ADMINISTRATION
Heading: Safety and Operations
FY 2009 Budget
Appendix Pages: 875-876
FY 2009
Pending Request: \$1,293,533,000
Proposed Amendment: ---
Revised Request: \$1,293,533,000

(In the appropriations language under the above heading, in the first proviso delete "\$121,900,000" and substitute \$115,900,000.)

This amendment would reflect correctly the level of funding intended to be available for three years in the FY 2009 Budget. The proposed Budget totals would not be affected by this amendment.

Agency: DEPARTMENT OF TRANSPORTATION

Heading: Administrative Provisions - Federal Transit Administration

FY 2009 Budget
Appendix Pages: 917-918

FY 2009
Pending Request: ---

Proposed Amendment: Language

Revised Request: ---

(In the appropriations language under the above heading, insert an open bracket immediately before "Sec. 163." and insert a closing bracket immediately after "projects." in that section; renumber the following sections accordingly.)

This amendment would correctly reflect the intended deletion of section 163 from the Budget. The opening and closing brackets were omitted inadvertently from the FY 2009 Budget.

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

Agency: DEPARTMENT OF THE TREASURY
Heading: Administrative Provisions - Department of the Treasury
FY 2009 Budget Appendix Page: 974
FY 2009 Pending Request: ---
Proposed Amendment: Language
Revised Request: ---

(In the appropriations language under the above heading, revise section numbers "109" through "117" to be section numbers 105 through 113.)

This amendment would renumber the provisions correctly to reflect that they are succeeding sections of the Administrative Provisions that begin on page 971 of the Budget *Appendix*.

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

Agency: CORPS OF ENGINEERS - CIVIL WORKS
Bureau: CORPS OF ENGINEERS - CIVIL
Heading: Operation and Maintenance
FY 2009 Budget
Appendix Page: 1014
FY 2009
Pending Request: \$2,475,000,000
Proposed Amendment: Language
Revised Request: \$2,475,000,000

(In the appropriations language under the above heading, remove the opening bracket before " Provided, That", insert a new opening bracket before "utilizing funds", and add the following proviso just before the concluding period:)

of the amounts provided herein, not to exceed \$500,000 is provided to the Secretary of the Army to reimburse travel expenses as provided for in section 9003(f) of the Water Resources Development Act of 2007, Public Law 110-114 (121 Stat. 1289-1290).

This amendment would insert a provision that was omitted inadvertently from the FY 2009 Budget and to reflect correctly the policy assumed in the Budget. The proposed Budget totals would not be affected by this language amendment.

Agency: NATIONAL AERONAUTICS AND SPACE
ADMINISTRATION

Heading: Administrative Provisions

FY 2009 Budget
Appendix Page: 1090

FY 2009
Pending Request: ---

Proposed Amendment: Language

Revised Request: ---

(In the appropriations language under the above heading, the final paragraph is amended by deleting the paragraph in its entirety and substituting the following:)

For the closeout of all Space Shuttle contracts and associated programs, amounts that have expired but have not been cancelled in the Human Space Flight, Space Flight Capabilities, and Exploration Capabilities appropriations accounts shall remain available through fiscal year 2015 for the liquidation of valid obligations incurred during the period of fiscal year 2001 through fiscal year 2009.

This proposal would amend the pending language to clarify that obligations incurred in certain appropriations accounts that were executed with the proper legal authority during the period FY 2001 through FY 2009, and that have not yet been cancelled, would remain available through FY 2015 for the closeout of all Space Shuttle contracts and associated programs. The language does not allow NASA to re-obligate the funds. In the absence of such clarification, it could be assumed that the pending language requests a reappropriation of funds.

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

Agency: OFFICE OF PERSONNEL MANAGEMENT
Heading: Salaries and Expenses
FY 2009 Budget
Appendix Page: 1097
FY 2009
Pending Request: \$92,829,000
Proposed Amendment: Language
Revised Request: \$92,829,000

(In the appropriations language under the above heading, remove the first opening bracket and insert a new opening bracket immediately before "\$101,765,000".)

This amendment would reflect correctly the policy assumed in the FY 2009 Budget. A misplaced bracket inadvertently indicated deletion of necessary language. The proposed Budget totals would not be affected by this language amendment.

FY 2008 Proposal (non-Global War on Terror)

Agency: DEPARTMENT OF HOMELAND SECURITY
Heading: General Provisions
FY 2009 Budget Appendix Page: 1261
FY 2009 Pending Request: ---
Proposed Amendment: Language
Revised Request: ---

(In the appropriations language under the above heading, insert the following new provision after Sec. 1.)

Sec. 2. Section 535 of the Department of Homeland Security Appropriations Act, 2008 (Public Law 110-161, Division E), and the amendments contained thereto, is hereby repealed, as of the date of enactment of such Act.

This amendment would provide for the repeal in FY 2008 of language establishing law enforcement officer status for Customs and Border Protection officers. This provision was omitted inadvertently from the FY 2008 supplemental proposals section of the FY 2009 Budget.

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