

THE WHITE HOUSE  
WASHINGTON

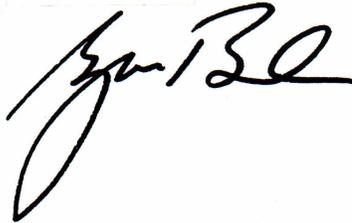
July 15, 2003

Dear Mr. Speaker:

I ask Congress to consider the enclosed requests to change FY 2003 appropriations law and an FY 2004 budget amendment for the Department of Veterans Affairs, none of which will affect budget levels.

The details of these requests 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 read "J. Dennis Hastert". The signature is written in a cursive style with a large, sweeping initial "J".

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

Enclosure



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

THE DIRECTOR

July 14, 2003

The President  
The White House

Submitted for your consideration are two proposed changes to FY 2003 appropriations law, as well as a related FY 2004 budget amendment for the Department of Veterans Affairs (VA). Your proposed budget totals would not be affected by these requests.

This transmittal includes language that would increase the statutory loan limit for VA's Native American veteran housing loan program account from \$5 million to \$40 million. Low interest rates have created more demand for new construction loans and refinancing of existing loans than originally projected. The current \$5 million statutory loan limitation placed on the program by P.L. 108-7, the Consolidated Appropriations Resolution, 2003, is insufficient to meet this current demand. Absent this requested adjustment, VA cannot issue any new loans for the remainder of FY 2003.

Also included is an FY 2003 request, as well as an FY 2004 budget amendment, that would allow VA to conduct cost comparison studies using appropriated funds to ensure that services, such as laundry and food services, are delivered to veterans at the lowest possible cost without compromising quality of service.

I have carefully reviewed these proposals and am satisfied that they are necessary at this time. Therefore, I join the Secretary of Veterans Affairs in recommending that you transmit these proposals to the Congress.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Bolten", with a long horizontal stroke extending to the right.

Joshua B. Bolten  
Director

Enclosures

*FY 2003 Proposal*

DEPARTMENT OF VETERANS AFFAIRS

VETERANS BENEFITS ADMINISTRATION

Native American Veteran Housing Loan Program Account

Under the heading, "Native American Veteran Housing Loan Program Account," in title I, division K of Public Law 108-07, delete "\$5,000,000" and insert "\$40,000,000".

This request would increase the statutory loan limit for this program from \$5 million to \$40 million to allow the Department of Veterans Affairs (VA) to continue issuing direct loans. The loan limitation was placed on the program in P.L. 108-7, the Consolidated Appropriations Resolution, 2003, for the first time in the history of this program.

With mortgage rates at historical lows, Native American veterans have been obtaining interest rate reduction refinancing loans in record numbers, and the number of origination loans has also increased. The statutory limitation of \$5 million is insufficient to meet the current demand. Absent the proposed loan limit adjustment, VA cannot issue any new loans for the remainder of FY 2003. No additional credit subsidy budget authority is required.

The proposed budget totals would not be affected by this request.

*FY 2003 Proposal*

DEPARTMENT OF VETERANS AFFAIRS  
VETERANS HEALTH ADMINISTRATION

Medical Care

Under the heading, "Medical Care," in title I, division K of Public Law 108-7, insert the following after the second proviso: "Provided further, That of the funds made available under this heading, not to exceed \$25,000,000 is to fund cost comparison studies authorized by 38 U.S.C. 8110(a)(5):".

This request would allow the Department of Veterans Affairs to conduct cost comparison studies using already appropriated funds to ensure that services, such as laundry and food services, are delivered to veterans at the lowest possible cost without compromising quality of service.

The proposed budget totals would not be affected by this request.

*FY 2004 Budget Amendment*

Agency: DEPARTMENT OF VETERANS AFFAIRS  
Bureau: MEDICAL PROGRAMS  
Heading: Medical Care  
FY 2004 Budget Appendix Page: 809  
FY 2004 Pending Request: \$25,406,024,000  
Proposed Amendment: Language  
Revised Request: \$25,406,024,000

(In the appropriations language under the above heading, insert the following before the period at the end of the first sentence:)

: and of which not to exceed \$50,000,000 shall be available to fund cost comparison studies authorized by 38 U.S.C. 8110(a)(5)

This request would allow the Department of Veterans Affairs to conduct cost comparison studies and allow appropriated funds to be used for such purposes to ensure that services, such as laundry and food services are delivered to veterans at the lowest possible cost without compromising quality of service.

The proposed budget totals would not be affected by this request.