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Supplemental Appropriations for FY2001: Defense Readiness and Other Programs

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Supplemental Appropriations for FY2001: Defense Readiness and Other Programs

Summary

On June 1, President Bush submitted a formal request to Congress for supplemental appropriations for FY2001 totaling about \$7.1 billion, offset by about \$600 million of rescissions, for total new budget authority of \$6.5 billion. The bulk of the money, (\$6.1 billion in new supplemental funding offset by \$500 million in rescissions, for a net \$5.6 billion in additional appropriations) was for the Department of Defense. An additional \$291 million was for Department of Energy defense-related activities. Requested non-defense discretionary appropriations totaled \$723 million, with \$113 million in offsetting rescissions. An additional \$936 million was requested for mandatory Department of Veterans Affairs programs, including Cost of Living Adjustments for disability compensation and pensions and expanded GI Bill benefits – but these are not scored against caps on discretionary spending.

On June 14, the House Appropriations Committee marked up the supplemental appropriations bill (H.R. 2216) and ordered it to be reported (H.Rept. 107-102). On June 20, the full House approved the measure by a vote of 341-87. The House-passed version of the bill adheres to the limit of \$6.5 billion in net, new supplemental budget authority; designates a total of \$473.1 million in funding for disaster repairs and related programs as emergency appropriations, including \$329.1 million in new, unrequested funding; adds \$150 million to the request for the Low Income Home Energy Assistance Program (LIHEAP) for a total of \$300 million; adds \$161 million for disadvantaged education programs; and offsets the added funds with additional rescissions. The net \$6.5 billion increase in FY2001 discretionary funding is consistent with amounts that Congress set aside for FY2001 supplemental funding in the FY2002 congressional budget resolution (H.Con.Res. 83), and is within caps on total discretionary spending under the Budget Enforcement Act of 1990 as amended last year.

On June 21, the Senate Appropriations Committee reported the its version of the bill (S. 1077, S.Rept. 107-33). The Senate bill also adheres to the limit of \$6.5 billion in new supplemental budget authority but, unlike the House bill, provides no additional funding for disaster relief, includes no emergency funding, and does not rescind any FEMA funds. Like the House bill, the Senate measure adds \$150 million for LIHEAP and \$161 million for disadvantaged education. It also provides \$84 million for the Radiation Exposure Compensation Trust Fund and \$100 million for a U.S. contribution to an international fund to combat HIV/AIDS, malaria, and tuberculosis, but it rejects \$62 million in Legislative Branch funding for House staffing. The measure rescinds \$486 million in non-defense funds, \$373 million more than requested, including \$217 million from job training programs.

On July 10, the full Senate passed H.R. 2216, after substituting the text of S. 1077, by a vote of 92-1. On July 19, conferees agreed to \$6.5 billion in new budget authority in H.R. 2216, the supplemental appropriations bill for FY2001 (H.Rept. 107-148).

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Supplemental Appropriations for FY2001: Defense Readiness and Other Programs

Most Recent Developments

On June 1, 2001, the Administration submitted a supplemental appropriations request to Congress of \$7.1 billion (not including \$936 million in mandatory spending for veterans programs) offset by \$600 million of rescissions, for total new budget authority of \$6.5 billion. On June 14, the House Appropriations Committee reported a measure, H.R. 2216, providing \$7.9 billion in supplemental funding, offset by \$1.7 billion of rescissions. The Rules Committee subsequently approved a rule for floor debate on the measure that reduced the rescissions to \$1.4 billion, so the total new budget authority in the bill totaled \$6.5 billion, equal to the request. On June 20, the full House approved the revised bill with only a very small change in funding, by a vote of 431-87.

On June 21, the Senate Appropriations Committee reported its version of the bill, S. 1077. The Senate bill provides \$7.7 billion in supplemental appropriations and rescinds \$1.3 billion, for a total of \$6.4 billion in new budget authority. On July 10, 2001, the full Senate passed H.R. 2216, the supplemental appropriations bill for FY2001, after substituting the text of S.1077, by vote of 92 - 1. On July 19, conferees agreed to \$6.5 billion in new budget authority in H.R. 2216 (H.Rept. 107-148). Congressional floor action may occur the week of July 23.

Overview of the Administration Supplemental Appropriations Request

On June 1, President Bush submitted a formal request to Congress for supplemental appropriations for FY2001 totaling about \$7.1 billion, offset by about \$600 million of rescissions, for total new budget authority of \$6.5 billion. The bulk of the money, (\$6.148 billion in new budget authority, offset by \$0.505 billion in rescissions, for a net \$5.643 billion in additional appropriations) was for the Department of Defense. An additional \$291 million was for Department of Energy defense-related activities, partly for safety and reliability of the nuclear weapons stockpile, and partly for environmental cleanup and compliance measures at defense-related DOE production sites. The remainder was comprised of much smaller amounts for a wide range of domestic programs, including

- ! \$35 million for the Department of Agriculture to strengthen border inspections and take other measures aimed at preventing foot and mouth disease and other emerging diseases;

- ! \$20 million in borrowing authority from the Commodity Credit Corporation to provide relief to producers in Oregon and California suffering water shortages;
- ! \$29 million for the Department of Energy non-defense energy programs;
- ! \$150 million for the Department of Health and Human Services for the Low Income Home Energy Assistance Program (LIHEAP);
- ! \$40 million for the Department of Housing and Urban Development (HUD) to restore funds for a Federal Housing Administration program that guarantees loans for apartment development;
- ! \$50 million for the Department of the Interior to cover increased Bureau of Indian Affairs costs to purchase electrical power;
- ! \$92 million for increased Coast Guard fuel, health care benefits, and other costs, offset by a \$93 million rescission in an Arkansas highway project;
- ! \$176.4 million for the Department of the Treasury, partly for security at the 2002 Winter Olympics and partly for covering costs of processing and mailing tax rebates;
- ! \$50 million for the Corps of Engineers to cover unfunded costs of responding to natural disasters; and
- ! a rescission of \$20 million in unobligated balances in the International Security Assistance Economic Support Fund.

Also, OMB conveyed without adjustments a Legislative Branch request for supplemental appropriations of \$77.6 million, of which \$61.6 million was for House of Representatives salaries and expenses, \$35,000 for the Office of Compliance, and \$15.9 million for the Government Printing office. Non-defense supplemental funding requests totaled \$723 million, offset by \$113 million in rescissions.

In addition, the supplemental request included a proposal to allow the National Aeronautics and Space Administration to reallocate \$40 million appropriated in FY2000 for specific experiments on a now-delayed space shuttle mission to be used for other purposes. This request did not represent new appropriations.

Finally, the supplemental request included

- ! \$589.4 million in mandatory funding subject to appropriations for the Department of Veterans Affairs to cover cost-of-living adjustments for disability compensation and pension benefits – costs of these COLAs are traditionally provided through supplemental appropriations, but are not scored as discretionary spending under Budget Enforcement Act procedures;
- ! \$347 million in mandatory funding subject to appropriations for the Department of Veterans Affairs to cover increased costs of Montgomery GI Bill benefits that were enacted in the FY2001 VA-HUD-Independent Agencies appropriations act (P.L. 106-377) – these funds are also not scored as discretionary spending; and
- ! a proposal to transfer \$19 million to the Veterans Benefits Administration for unexpected claims processing costs.

In all, the Veterans Affairs Department mandatory programs totaled \$936.4 million, but these funds were already included in the FY2002 budget and baseline calculations for funding in FY2001 and will have no effect on “pay as you go” provisions of the

Budget Enforcement Act that require matching offsets of any increases in legislated benefits.

See **Table A1** in the Appendix, for a detailed breakdown of the request.

Congressional Action

House Appropriations Committee Action

On June 14, in a six-hour-long session, the House Appropriations Committee marked its version of up the supplemental appropriations bill (H.R. 2216) and ordered it to be reported (H.Rept. 107-102).

In action on key amendments, the Committee rejected measures to

- ! establish temporary limits on wholesale electricity prices;
- ! provide \$350 million in loan guarantees for electrical transmission facilities;
- ! provide \$600 million for the Low Income Heating and Energy Assistance Program (LIHEAP), \$450 million more than the White House requested and \$300 million more than was provided in the Chairman's mark;
- ! eliminate a rescission of \$389 million in Federal Emergency Management Agency disaster relief funds in the Chairman's mark;
- ! provide \$250 million for international AIDS relief programs; and
- ! restore \$35 million to the Department of Agriculture for animal and plant disease inspection, the amount requested by the White House but removed in the Chairman's mark.

As approved by the full committee, the bill

- ! adhered to the limit of \$6.5 billion in net, new supplemental budget authority;
- ! designated a total of \$473.1 million in funding for disaster repairs and related programs as emergency appropriations, including \$329.1 million in new, unrequested funding;
- ! added \$150 million to the request for LIHEAP, for a total of \$300 million;
- ! added \$161 million for education for the disadvantaged, funding which resolves a dispute over estimating procedures for the program;
- ! offset the added funds with additional rescissions, including \$389 million rescinded from Federal Emergency Management Agency disaster relief funds, \$359 million rescinded from Department of Labor Workplace Investment Act funds (which the rule on the bill subsequently deleted), and \$114 million rescinded from the Department of Housing and Urban Development Housing Certificate Program; and
- ! provided \$95 million in supplemental appropriations for the District of Columbia, an amount not included in the White House supplemental request, all paid for by District revenues.

House Floor Action

The full House considered the measure on June 20, and, in final action on the measure, approved the bill by a vote of 341-87. As in the full committee markup, much of the debate focused on measures to respond to the energy crisis in California. Though none of the energy crisis related amendments were made in order by the rule on the bill, several proposals were debated under a unanimous consent agreement and then, either challenged by a point of order and ruled out of order by the chair or withdrawn.

Another repeated focus of debate concerned a provision in the bill to rescind \$389 million from the Federal Emergency Management Agency (FEMA) disaster relief fund. Opponents of the rescission argued that FEMA will face significant costs to provide relief for the effects of Tropical Storm Allison, particularly in Texas and Louisiana. The bill sponsors responded that FEMA will have sufficient funds to respond to the demands even with the rescission, that the issue could be addressed in conference, and that additional funds may be provided for FEMA disaster relief in the future. In final action, the rescission was not eliminated. An amendment offered by Rep. Bentsen to delete the rescission was rejected on a point of order; a Toomey amendment, made in order by the rule, to eliminate the rescission and substitute an across-the-board reduction in of 0.33% in all FY2001 non-defense discretionary spending, was rejected by a vote of 65-362; and an Obey motion to recommit the bill to committee with instructions to delete the rescission was defeated by a vote of 209-218. For an overview of FEMA programs, including a discussion of the disaster relief fund, see CRS Report RL30460, *The Federal Emergency Management Agency: Overview of Funding for Disaster Relief and Other Activities*, by Keith Bea.

In other action on the bill, two proposed amendments to add money for the Low Income Home Energy Assistance Program (LIHEAP) were ruled not in order; an amendment by Representative Skelton to add \$2.7 billion for defense readiness-related programs was withdrawn in the face of a point of order; and amendments to reduce funding for Department of Defense executive aircraft and for the Airborne Laser program were rejected. The House also rejected, by a vote of 212 to 217, an Obey amendment to transfer \$30.5 million from the Internal Revenue Service to an anti-drug program. The IRS funding is to mail information on upcoming tax rebates to taxpayers, and Democrats argued that the letter will be, in effect, a political advertisement for the Administration.

Table 1 shows the major components of the bill, with totals as calculated by CRS. For a detailed comparison of the request and the bill as approved by the House, see **Table A1** in the Appendix.

Table 1: Overview of House and Senate Supplemental Appropriations and Rescissions
(millions of dollars)

	White House Request	House-Passed Bill	Senate Approp. Comm. Bill
Department of Defense Appropriations	6,023.7	6,297.3	6,243.7
Military Construction Appropriations	92.5	156.2	92.5
Department of Energy Defense-Related Appropriations	290.6	288.5	290.6
Other Defense-Related Appropriations*	–	–	84.0
Total Defense-Related Appropriations	6,406.8	6,642.0	6,710.8
Defense-Related Rescissions	-566.0	-834.0	-792.0
Net Defense Related Appropriations Less Rescissions	5,840.8	5,908.8	5,918.8
Non-Defense Discretionary Appropriations	723.0	1,215.6	1,050.2
Non-Defense Rescissions	-113.0	-533.5	-564.0
Mandatory Funding (Veterans Affairs)	936.4	936.4	936.4

Sources: CRS calculations based on Office of Management and Budget and House Appropriations Committee data.

***Note:** Appropriated to the Department of Justice for the Radiation Exposure Compensation Trust Fund.

Senate Committee Action

On June 21, the Senate Appropriations Committee approved and ordered reported its version of the supplemental appropriations bill (S. 1077, S.Rept. 107-33). Like the request and the House-passed bill, the measure provides a total of \$6.5 billion in new budget authority. Details of the bill will be provided in a later update of this report. On the whole, the Senate committee bill remains closer to the request than the House-passed bill. The measure includes no emergency appropriations, and makes only comparatively small changes in requested programs. Among key provisions, the bill

- ! provides unrequested funding of \$84 million for the Radiation Exposure Compensation Trust Fund;
- ! provides \$220 million more than was requested for the Department of Defense;
- ! rescinds \$792 million in defense funds, \$226 million more than the request;
- ! provides \$35 million as requested for Department of Agriculture health inspections, an amount not provided by the House;
- ! approves \$105 million for the District of Columbia, all provided by District funds;
- ! provides \$50 million, as requested, for the Corps of Engineers for the flood control and coastal relief fund, but provides no additional funds for disaster relief;
- ! provides \$100 million for an initial U.S. contribution to a global fund to combat HIV/AIDS, malaria, and tuberculosis;
- ! provides \$300 million, \$150 million more than requested and equal to the House amount, for LIHEAP;

- ! provides \$161 million in unrequested funds, as in the House bill, for education for the disadvantaged;
- ! does not include \$62 million for the Legislative Branch for House staffing;
- ! provides requested funding for the Coast Guard, security at the Winter Olympic games, and the Internal Revenue Service;
- ! rescinds \$217 from the Department of Labor Dislocated Worker Employment Training Activities fund;
- ! rescinds \$110 million from the Emergency Oil and Gas Guaranteed Loan Program.

Key Issues

Caps on Supplemental Appropriations

None of the funding in the White House FY2001 supplemental appropriations request was designated as emergency appropriations. A designation of specific amounts as emergency appropriations would raise caps on spending established by the Budget Enforcement Act of 1990 as amended and would allow funding to exceed caps on total discretionary spending in the annual congressional budget resolution. Instead, the White House agreed to stay within a limit of \$6.5 billion in additional funds for FY2001 that was established in the FY2002 Concurrent Resolution on the Budget (H.Con.Res. 83) and that is also within the Budget Enforcement Act cap on discretionary spending as amended last year in the Foreign Operations Appropriations Act (P.L. 106-429).

The White House decision to stay within the discretionary limits was a contentious issue, especially among advocates of higher defense spending, many of whom have called for a larger FY2001 supplemental, using emergency funding if necessary. It was also contentious among appropriators in general, who traditionally chafe at efforts to use the budget process to put limits on their discretion, including their authority, with the President's concurrence, to designate emergency funding as a means of providing added funds without offsetting rescissions.

This is not a new issue. The use of emergency supplemental appropriations was repeatedly a matter of debate in the 104th and 105th Congresses. Many legislators argued that emergency appropriations should be limited because they added to the deficit or, in more recent years, "spent" part of the surplus generated by Social Security. Annual debates about supplemental appropriations bills raised a number of issues – whether to offset all supplemental funding with rescissions or only some; whether offsets should equal supplemental amounts in outlays as well as in budget authority of contract authority; whether non-defense rescissions should be used to offset supplemental defense funding; and whether defense should be exempt from offsets while other emergency spending should not.¹

¹For a full review of the debate over supplemental appropriations for defense from FY1995 through FY1999, see Stephen Daggett, "Emergency Appropriations for the Department of Defense: Congressional General Distribution Memo", August 18 1998, 28 p. Available to (continued...)

In the end, as federal budget surpluses grew, especially in the 106th Congress, pressures to limit emergency supplemental funding eased. In recent years, defense supplemental appropriations bills – and, for that matter, the FY1999 omnibus appropriations bill – often included large unrequested increases in funding for military readiness designated as emergency spending as a means of bolstering defense without exceeding caps on total discretionary spending established by the 1997 budget agreement. Now, opposition to this process appears to have been revitalized.

Defense Supplemental Funding Issues

The FY2001 defense supplemental appropriations request was a bit unusual in two ways. First, compared to supplemental requests during the Clinton Administration (though not compared to recent final appropriations), it was relatively large. Since FY1995, annual supplemental appropriations requests have usually been for no more than about \$2 billion or so (see **Table A2** in the Appendix for a list of supplemental defense requests and congressional appropriations in recent years). The only comparable amount – \$5.3 billion – was requested in FY1999 to cover costs of the campaign in Yugoslavia and deployment of peacekeeping forces to Kosovo.

Second, in the past, as in FY1999, defense supplementals generally were requested mainly to cover costs of unplanned military contingency operations and/or natural disasters, not to meet military readiness shortfalls. And until recently, Congress generally provided emergency supplemental funding largely to cover contingency costs, with relatively limited amounts sometimes provided for readiness and other purposes. In the last couple of years, however, Congress has used emergency supplemental appropriations for defense not only to meet unplanned requirements, such as the costs of military operations in Yugoslavia in FY1999 and 2000, but also as a means of adding quite substantial amounts money to the defense budget, particularly for military readiness, without technically violating caps on spending established by the 1997 budget agreement. The FY1999 supplemental appropriations bill for Kosovo, for example, (P.L. 106-31, H.R. 1141), provided over \$5.5 billion of unrequested funds (out of \$12 billion for defense in all), including \$1.8 billion for military pay and benefits increases beginning in FY2000. Congress also added large amounts in the FY1999 omnibus appropriations act for military readiness.

The FY2001 supplemental request included funds for activities typical of these recent congressional additions. Rather than being requested to pay for contingencies, the Administration's FY2001 supplemental request included a large amount for day-to-day readiness-related operations and to cover "must-pay" costs such as increased utility prices and climbing health care expenses. In the past, such costs were usually absorbed by reallocating money within the defense budget through normal reprogramming procedures. In this case, however, the military services have argued that the large size of the increases warrants special treatment.

The request for supplemental funding for day-to-day readiness and for costs that were previously absorbed through reprogramming of funds raises a broad policy issue:

¹(...continued)
congressional offices by request from the author.

Are the military services failing to fully fund such activities in their regular annual budget submissions on the premise that Congress will subsequently add funds to make up for shortfalls? This issue was discussed at some length in a May 31 Pentagon press conference on the supplemental with Dov Zakheim, the newly confirmed Under Secretary of Defense Comptroller. Zakheim acknowledged that this has become an issue inside the Department, and said the answer is to restore what he called “honest budgeting.” Presumably this would involve providing the services with somewhat larger annual budgets, but expecting them to finance high-priority readiness accounts fully.

Major items in the defense request included

- ! \$1.4 billion for military health care cost growth – the argument for providing new funding is that this constitutes a large enough increase in overall health costs – almost 10% – that it would be difficult for the military services to absorb it internally;
- ! \$970 million for Navy and Air Force training flying hours – a very large shortfall, which the services have partly explained as a function of aging aircraft which require more maintenance. It remains unexplained, however, why the services could not have anticipated these increased costs in preparing the FY2001 budget last year.
- ! \$443 million for Army base operations and real property maintenance – amounts the Army says are needed to recover funds allocated to meet more urgent operational shortfalls;
- ! \$734 million for natural gas and electricity cost growth – again a relatively large amount to absorb in one year;
- ! \$222 million for cost growth on Navy ships;
- ! \$276 million for Air Force aircraft depot maintenance;
- ! \$200 million for Navy ship depot maintenance;
- ! \$153 million to meet the development schedule for the Air Force Airborne Laser program;
- ! \$238 million that DOD describes as “transformation capabilities,” including the Global Hawk unmanned aerial vehicle, miniature munitions, information warfare, joint experimentation, and V-22 tilt-rotor aircraft development fixes.

See **Table A3** in the Appendix for a more detailed breakdown of the defense request.

The proposal also included rescissions of previously appropriated funds, totaling \$505 million – the largest cut was \$475 million from V-22 tilt rotor aircraft procurement, money available because of delays in the development and testing program.

Perhaps the most contentious unresolved issue concerning the supplemental remains whether the funds requested for defense are adequate to meet key shortfalls in each of the military services. Early this year, some defense supporters in Congress clearly expected that the incoming Bush Administration would propose substantial supplemental appropriations for FY2001 as an immediate means of bolstering defense. Expectations rose further when each of the military services began to report significant shortfalls in the FY2001 budget – amounts briefed to at least one congressional committee totaled almost \$8 billion, not including military personnel

and health care costs, which would increase the estimated shortfall to \$10 billion or more. Bush Administration officials, however, decided not to request an early supplemental appropriations bill, saying that funding requirements for FY2001, along with later budgets needs, would be addressed following the Administration's still ongoing review of military strategy.

The Administration's reluctance to support an early supplemental prompted considerable debate in Congress. In February, Senate Armed Services Committee Chairman Warner wrote a letter to the White House supporting the decision to pursue a strategy review before asking for a large increase in defense spending, but he also urged an immediate supplemental request, amounting to about \$3.9 billion, for specific, short-term needs. Subsequently, several leading pro-defense Democrats, including Rep. Dicks and Rep. Skelton, strongly urged immediate action on a larger supplemental and submitted a measure providing \$6.7 billion, including funds for a pay raise in FY2001. Finally, during debate on the congressional budget resolution, Sen. Warner and others again urged action on a defense supplemental. The conference agreement on the budget resolution specifically set aside \$6.5 billion in available FY2001 funds for supplemental appropriations. Appropriators could provide more only if it is designated as emergency appropriations.

Although both the House and the Senate Appropriations Committees provided slightly more for defense readiness, the additions were offset by rescissions of DOD funds. In House floor action, Rep. Skelton proposed an amendment to add \$2.7 billion for defense readiness-related programs. The measure was not made in order by the rule, however, and was ultimately withdrawn after being discussed on the floor under a unanimous consent agreement.

Appendix

Table A1: Overview of FY2001 Supplemental Appropriations

(millions of dollars)

Item/Activity	Request	House Change	House Approp.	Sen. Approp. Comm. Change	Sen. Approp. Comm.
Defense-Related					
Department of Justice					
Radiation Exposure Compensation Trust Fund	-	-	-	+84.0	84.0
Subtotal, Department of Justice	-	-	-	+84.0	84.0
Department of Defense					
Military Personnel					
Legislated Pay	116.0	-	116.0	-	116.0
Housing Survey Update	210.0	-	210.0	-	210.0
Army Subsistence	28.0	-	28.0	-	28.0
Army/AF Reserve Training	42.0	+6.5	48.5	-	42.0
Navy Officer Pay Table Reform	28.0	-	28.0	-	28.0
Permanent Change of Station Moves	58.0	-	58.0	-	58.0
Recruiting and Retention	33.0	-6.5	26.5	-	33.0
Subtotal, Military Personnel	515.0	-	515.0	-	515.0
Operation and Maintenance					
Flying Hour Costs	970.0	-	970.0	-	970.0
Focused Relief" – Sierra Leone	36.0	-	36.0	-	36.0
Base Operations	414.0	-7.0	407.0	+33.5	447.5
Second Destination Transportation	62.0	-12.0	50.0	-	62.0
Force Protection	33.0	-	33.0	-	33.0
Contractor Logistics Support (C-37s & C-40s)	63.0	-	63.0	-24.5	38.5
Joint Exercises	11.0	-	11.0	-	11.0
Ehime Maru Recovery	36.0	-	36.0	-	36.0
Utilities	465.0	-1.9	463.1	-	465.0
California Electrical Demand Reduction	24.5	+17.0	41.5	-	24.5
Real Property Maintenance	186.0	-41.7	144.3	+107.0	293.0
Aircraft Depot Maintenance	276.0	-	276.0	-	276.0
Ship Depot Maintenance	200.0	-	200.0	-	200.0
Ship Depot Operations Support	-	-	-	+20.0	20.0
U.S.S. Cole Repair	44.0	-44.0	-	-	44.0
U.S.S. Cole Repair (Emergency)	-	+44.0	44.0	-	-
Classified Program	65.2	+31.2	96.4	-17.3	48.0
Army Recruiting and Advertising	-	+25.0	25.0	-	-
Natural Disaster Damages	-	+39.9	39.9	-	-
Army Spare Parts	-	-	-	+30.0	30.0
Contingency Operations, East Timor, Army & MC	-	-	-	+5.0	5.0
Army, Unspecified Adjustments	-	-	-	-11.7	-11.7
Navy CINCPAC Initiatives	-	-	-	+38.0	38.0
Navy, Unspecified Adjustments	-	-	-	-7.0	-7.0
Marine Corps, Pacific Strategic Lift	-	-	-	+5.0	5.0
Air Force, Unspecified Adjustments	-	-	-	-3.8	-3.8
Defense-Wide, Unspecified Adjustments	-	-	-	-13.5	-13.5
Subtotal, Operation and Maintenance	2,885.7	+50.5	2,936.2	+160.8	3,046.5
Procurement					
Training Munitions	73.0	-	73.0	-41.8	31.2
C-17 Overhead Costs	49.0	-	49.0	-	49.0
Cost Growth on Ships under Contract	222.0	-	222.0	+75.0	297.0
California Electrical Demand Reduction	4.2	-	4.2	-	4.2

Item/Activity	Request	House Change	House Approp.	Sen. Approp. Comm. Change	Sen. Approp. Comm.
Classified Program	202.5	-77.5	125.0	-3.3	199.3
Global Position System Nuclear Detonation Sensor	-	+15.5	15.5	+15.5	15.5
Subtotal, Procurement	550.7	-62.0	488.7	+45.4	596.2
Research, Development, Test and Evaluation					
ISR Enhancements	-	+5.0	5.0	-	-
Airborne Laser	153.0	-	153.0	-	153.0
Launch Vehicle Demonstration	48.0	-	48.0	-	48.0
Global Hawk	25.0	-8.0	17.0	-	25.0
Miniature Munitions/Small Diameter Bomb	20.0	-7.0	13.0	-20.0	-
ISR Battle Management	-	+5.0	5.0	-	-
Joint Experimentation	15.0	-	15.0	-	15.0
V-22 Aircraft	80.0	+40.0	120.0	-	80.0
Naval Fires Network	-	+5.0	5.0	-	-
Classified Program	99.5	+45.1	144.6	-39.0	60.5
Pacific Command Imagery Processing Segment	-	-	-	+4.0	4.0
Subtotal, RDT&E	440.5	+85.1	525.6	-55.0	385.5
Defense Working Capital Fund					
Utilities	178.4	-	178.4	-	178.4
Subtotal, Defense Working Capital Fund	178.4	-	178.4	-	178.4
Other Defense Programs					
Health Care, Defense Health Program	1,427.0	+200.0	1,627.0	+68.8	1,495.8
Utilities, Defense Health Program	26.4	-	26.4	-	26.4
Subtotal, Defense Health Program	1,453.4	+200.0	1,653.4	+68.8	1,522.2
Subtotal, Department of Defense Appropriations	6,023.7	+273.6	6,297.3	+220.0	6,243.7
Defense-Related Rescissions					
Shortstop, Marine Corps, FY2000	-	-3.0	-3.0	-	-
Shortstop, Marine Corps, FY2001	-	-5.0	-5.0	-	-
B-52 Aircraft Upgrades (Rescission)	-25.0	+25.0	-	+25.0	-
Aircraft Procurement, Navy (V-22 Rescission)	-235.0	-95.0	-330.0	+85.0	-150.0
Aircraft Procurement, Air Force (V-22 Rescission)	-245.0	-15.0	-260.0	-118.0	-363.0
Shipbuilding & Conversion Navy, LPD-17	-	-	-	-75.0	-75.0
Pacific Command Imagery Processing Segment	-	-	-	-4.0	-4.0
Overseas Contingency Operations Transfer Fund	-61.0	-20.0	-81.0	-139.0	-200.0
Selected Activities, Air Force	-	-65.0	-65.0	-	-
National Security Agency, Classified Equipment	-	-85.0	-85.0	-	-
Intelligence Community Management Account	-	-5.0	-5.0	-	-
Subtotal, DOD Defense-Related Rescissions	-566.0	-268.0	-834.0	-226.0	-792.0
Total, DOD Supplemental Appropriations Less Rescissions	5,457.7	+5.6	5,463.3	-6.0	5,451.7
Military Construction and Family Housing					
Family Housing Utilities	64.2	+2.3	66.5	-	64.2
California Electrical Demand Reduction	1.3	-	1.3	-	1.3
Oman Runway Repair, Air Force	18.0	-10.0	8.0	-	18.0
Base Realignment and Closure Environmental	9.0	-	9.0	-	9.0
Korea Utility Systems	-	+55.1	55.1	-	-
Germany Vehicle Maintenance Facilities	-	+6.9	6.9	-	-
Guam Emergent Repair Facility, Navy	-	+9.4	9.4	-	-
Military Construction Rescissions	-	-64.0	-64.0	-	-
Subtotal, Military Construction and Family Housing	92.5	+63.7	156.2	-	92.5
Department of Energy Defense-Related					
Weapons Activities	140.0	-	140.0	-	140.0
Defense Environmental Restoration and Waste Management	100.0	-	100.0	-5.0	95.0

Item/Activity	Request	House Change	House Approp.	Sen. Approp. Change	Sen. Approp. Comm.
Defense Facilities Closure Project	21.0	-	21.0	-	21.0
Defense Environmental Management Privatization	29.6	-2.1	27.5	-	29.6
Worker and Community Transition	-	-	-	+5.0	5.0
Subtotal, Department of Energy Defense Related	290.6	-2.1	288.5	-	290.6
Total, Defense-Related Supplemental Appropriations, New BA	5,840.8	+67.2	5,908.0	+78.0	5,918.8
Non-Defense Supplemental Appropriations					
Department of Agriculture					
Expand Animal and Plant Health Inspection Service	35.0	-35.0	-	-	35.0
Assist Oregon and California Klamath Basin (borrowing authority)	20.0	-20.0	-	-20.0	-
Subtotal, Department of Agriculture	55.0	-55.0	-	-20.0	35.0
Department of Commerce					
ACE Basin National Estuarine Research Reserve	-	-	-	+8.0	8.0
Small Business Administration	-	-	-	+30.0	30.0
Subtotal, Department of Commerce	-	-	-	+38.0	38.0
District of Columbia /a/					
General Fund (non-additive)	[92.5]	[+0.8]	[98.3]	[-1.0]	[91.5]
Enterprise & Other Funds (non-additive)	[2.2]	-	[2.2]	-	[2.2]
Education Programs (non-additive)	-	[+12.0]	[12.0]	[+13.0]	[13.0]
Subtotal, District of Columbia	[94.7]	[+17.8]	[112.5]	[+12.0]	[106.7]
Corps of Engineers					
Flood Control, Mississippi & Tributaries(Emergency)	-	+18.0	18.0	-	-
Operation and Maintenance, General (Emergency)	-	+115.5	115.5	-	-
Flood Control and Coastal Emergencies Preparedness	50.0	-50.0	-	-	50.0
Flood Control and Coastal Emergencies Preparedness (Emergency)	-	+50.0	50.0	-	-
Safety, Reliability, and Efficiency	-	+23.7	23.7	-	-
Subtotal, Corps of Engineers	50.0	+157.2	207.2	-	50.0
Department of Energy Non-Defense Energy Programs					
Non-Defense Environmental Management	11.4	+0.5	12.0	-	11.4
Uranium Facilities Maintenance and Remediation	18.0	-	18.0	-	18.0
Western Power Administration	-	+1.6	1.6	-	-
Subtotal, Department of Energy	29.4	+2.1	31.5	-29.4	-
Bilateral Economic Assistance					
Global HIV/AIDS, Malaria, Tuberculosis Trust Fund	-	-	-	+100.0	100.0
Subtotal, Bilateral Economic Assistance	-	-	-	+100.0	100.0
Department of the Interior					
National Park Service Operations	-	-	-	+4.2	4.2
Bureau of Indian Affairs, Electric Power Operations	50.0	-50.0	-	-	50.0
Bureau of Indian Affairs, Electric Power Operations (Emergency)	-	+50.0	50.0	-	-
Fish & Wildlife Service, Construction (Emergency)	-	+17.7	17.7	-	-
National Park Service, Park Police	-	+1.7	1.7	-	-
Subtotal, Department of the Interior	50.0	+19.4	69.4	+4.2	54.2
Forest Service					
State & Private Forestry (Emergency)	-	+22.0	22.0	-	-
National Forest System (Emergency)	-	+12.0	12.0	-	-
Wildland Fire Management (Emergency)	-	+100.0	100.0	-	-
Capital Improvement & Maintenance	-	-	-	+5.0	5.0
Capital Improvement & Maintenance (Emergency)	-	+4.0	4.0	-	-
Subtotal, Forest Service	-	+138.0	138.0	+5.0	5.0
Department of Labor					
Youth Activities	-	-	-	+45.0	45.0
Subtotal, Department of Labor	-	-	-	+45.0	45.0
Department of Health and Human Services					
Rural Health Outreach Children's Health Fund	-	-	-	+1.5	1.5

Item/Activity	Request	House Change	House Approp.	Sen. Approp. Comm. Change	Sen. Approp. Comm.
Substance Abuse and Mental Health Services	-	-	-	+6.5	6.5
Low Income Home Energy Assistance Program (LIHEAP)	150.0	+150.0	300.0	+150.0	300.0
Subtotal, Department of Health and Human Services	150.0	+150.0	300.0	+158.0	308.0
Department of Education					
Education for the Disadvantaged	-	+161.0	161.0	+161.0	161.0
Subtotal, Department of Education	-	+161.0	161.0	+161.0	161.0
Legislative Branch					
Gratuities, Deceased Members	-	+0.3	0.3	-	-
House of Representatives Salaries and Expenses	61.7	-	61.7	-61.7	-
Office of Compliance /b/	*	*	*	*	*
Government Printing Office, Congressional Printing & Binding	9.9	+2.0	11.9	-	9.9
Government Printing Office, Office Revolving Fund	6.0	-	6.0	-	6.0
Library of Congress, Salaries & Expenses	-	+0.6	0.6	-	-
General Accounting Office, Salaries & Expenses	2.6	-2.6	-	-2.6	-
Subtotal, Legislative Branch	80.2	+0.3	80.5	-64.3	15.9
Department of Transportation					
Coast Guard Operating Expenses	92.0	-	92.0	-	92.0
Subtotal, Department of Transportation	92.0	-	92.0	-92.0	-
Department of the Treasury					
Security at Winter Olympics	60.6	-60.6	-	-0.6	60.0
Tax Rebate Implementation	115.8	-115.8	-	-115.8	-
Financial Management Service	-	+49.6	49.6	+49.6	49.6
IRS Processing, Assistance, & Management	-	+66.2	66.2	+66.2	66.2
Subtotal, Department of the Treasury	176.4	-60.6	115.8	-0.6	175.7
Department of Housing and Urban Development					
Manufactured Housing Fees Trust Fund (transfer – non-additive)	-	[+6.1]	[6.1]	-	-
FHA Mutual Mortgage Insurance Program (transfer – non-additive)	[8.0]	[-8.0]	-	-	-
FHA Credit Subsidies	40.0	-	40.0	-40.0	-
Subtotal, Department of Housing and Urban Development	40.0	-40.0	-	-40.0	-
Department of Defense, Civil					
Cemeterial Expenses	-	+0.2	0.2	-	-
Subtotal, Department of Defense, Civil	-	+0.2	0.2	-	-
National Aeronautics and Space Administration					
Space Station Research (by transfer – non-additive)	[40.0]	-	[40.0]	-	-
Subtotal, National Aeronautics and Space Administration	[40.0]	-	[40.0]	-	-
General Provisions					
U.S.-China Security Review Commission	-	-	-	+1.7	1.7
Subtotal, General Provisions	-	-	-	+1.7	1.7
Total, Non-Defense Supplemental Appropriations	723.0	+492.7	1,215.6	+327.3	1,050.2
Non-Defense Rescissions					
Department of Agriculture					
Agricultural Conservation Program	-	-	-	-45.0	-45.0
Department of Commerce					
ACE Basin National Estuarine Research Reserve	-	-	-	-8.0	-8.0
Emergency Oil and Gas Guaranteed Loan Program	-	-	-	-110.0	-110.0
Small Business Administration	-	-	-	-30.0	-30.0
Bilateral Economic Assistance					
Child Survival and Disease Programs Fund for HIV/AIDS	-	-	-	-10.0	-10.0
Department of the Interior					
National Park Service Operations	-	-	-	-4.2	-4.2
Forest Service					
Capital Improvement & Maintenance	-	-	-	-5.0	-5.0
Department of Labor					

Item/Activity	Request	House Change	House Approp.	Sen. Approp. Comm. Change	Sen. Approp. Comm.
Youth Opportunity Grants	-	-	-	-25.0	-25.0
Safe Schools/Healthy Students	-	-	-	-20.0	-20.0
Dislocated Worker Employment Training Activities Fund	-	-	-	-217.5	-217.5
Department of Health and Human Services					
Facilities Construction and Renovation	-	-	-	-1.5	-1.5
Department of Housing and Urban Development					
Housing Certificate Fund	-	-114.3	-114.3	-	-
Department of Transportation					
Federal Highway Administration, Improvements to I-49 in Arkansas	-93.0	+93.0	-	+93.0	-
Grants in Aid for Airports	-	-30.0	-30.0	-	-
Undisbursed Contract Authority	-	-	-	-10.0	-10.0
International Assistance Programs					
Economic Support Fund Unobligated Balances	-20.0	+20.0	-	+20.0	-
Federal Emergency Management Agency					
Disaster Relief Funds	-	-389.2	-389.2	-	-
Subtotal, Non-Defense Rescissions	-113.0	-420.5	-533.5	-373.2	-486.2
Total, Non-Defense Supplemental Appropriations, New BA	610.0	+72.2	682.1	-45.9	564.0
Mandatory Programs					
Department of Veterans Affairs					
Disability Compensation and Pensions	[589.4]	-	[589.4]	-	[589.4]
GI Bill Benefit Expansion	[347.0]	-	[347.0]	-	[347.0]
Operating Expenses (by transfer – non-additive)	[19.0]	-	[19.0]	-	[19.0]
Total, Appropriations for Mandatory Programs	[936.4]	-	[936.4]	-	[936.4]
Total Discretionary Appropriations	7,129.8	+827.9	7,957.6	+547.3	7,677.0
Total Rescissions	-679.0	-688.5	-1,367.5	-599.2	-1,278.2
Net Discretionary BA	6,450.8	+139.4	6,590.1	-51.9	6,398.8

Sources: CRS calculations based on data from the Office of Management and Budget and the House Appropriations Committee.

Notes:

- The White House June 1 supplemental request did not include District of Columbia funding – the request shown reflects the District’s request as reported by the House Appropriations Committee.
- \$35,000 was requested and approved for the Legislative Branch Office of Compliance.

Table A2: Supplemental Defense Appropriations, FY1995-2000
(millions of dollars)

	Request	Enacted	Difference
FY1995			
H.R. 889, P.L. 104-6, 4/10/95			
Supplemental Appropriations	2,207	2,710	+503
Offsetting Rescissions	-703	-2,332	-1,629
Total, Supplemental Appropriations	1,504	349	-1,155
FY1996			
H.R. 3019, P.L. 104-134, 4/26/96			
Supplemental Appropriations	620	962	+342
Offsetting Rescissions	-960	-1,032	-72
Total, Supplemental Appropriations	-340	-70	+270
FY1997			
H.R. 1871, P.L. 105-18, 6/12/97			
Supplemental Appropriations	2,098	1,929	-169
Offsetting Rescissions /a/	-4,872	-1,930	+2,942
Total, Supplemental Appropriations	-2,774	-0	+2,774
FY1998			
H.R. 3579, P.L. 105-174, 5/1/98			
Supplemental Appropriations	2,021	2,860	+839
Offsetting Rescissions	0	0	0
Total, Supplemental Appropriations	2,021	2,860	+839
FY1999			
H.R. 4328, P.L. 105-277, 10/20/98 /b/			
Supplemental Appropriations	-	8,281	+8,281
H.R. 1664/H.R. 1141, P.L. 106-31, 5/18/99			
Supplemental Appropriations /c/	5,376	10,895	+5,519
FY2000			
H.R. 4425, P.L. 106-246, 7/13/00			
Supplemental Appropriations	2,288	6,757	+4,469
H.R. 4576, P.L. 106-259, 8/9/00 /d/			
Supplemental Appropriations	-	1,779	+1,779
TOTAL	8,075	30,852	+22,777

***Notes:**

- Administration rescissions request included \$4.8 billion in authority for the Secretary of Defense to make cuts in previously appropriated funds up to that amount.
- Defense share of emergency supplemental appropriations included in the FY1999 omnibus appropriations act.
- Of the enacted amount, \$1,838 million was for pay and benefit improvements beginning in FY2000. Senate considered only the conference report.
- Supplemental FY2000 appropriations provided in the regular FY2001 defense appropriations bill.

**Table A3: Department of Defense FY2001 Supplemental Appropriations
Request by Category and Service**

(millions of dollars)

	Army	Navy	Marine Corps	Air Force	Defense Wide	Total
Pay and Benefits						
Defense Health Program	-	-	-	-	1,427.0	1,427.0
Legislated Pay Entitlements	43.0	30.0	10.0	33.0	-	116.0
Housing Survey Results	84.0	13.0	45.0	68.0	-	210.0
Army Subsistence	28.0	-	-	-	-	28.0
Army Reserve Training	42.0	-	-	-	-	42.0
Navy Officer Pay Table Reform	-	28.0	-	-	-	28.0
Permanent Change of Station Moves	25.0	13.0	14.0	6.0	-	58.0
Subtotal, Pay and Benefits	222.0	84.0	69.0	107.0	1,427.0	1,909.0
Readiness, Training, and Operations						
Improved Recruiting and Retention	-	-	-	33.0	-	33.0
Flying Hours	-	425.0	-	525.0	20.0	970.0
'Focused Relief' – Sierra Leone	10.7	7.0	-	3.8	14.5	36.0
Base Operations	317.0	90.0	-	7.0	-	414.0
Second Destination Transportation	62.0	-	-	-	-	62.0
Force Protection	-	22.0	11.0	-	-	33.0
Contractor Logistic Support	-	-	-	63.0	-	63.0
Training Munitions	-	-	-	73.0	-	73.0
Joint Exercises	-	-	-	11.0	-	11.0
'Ehimie Maru' Recovery	-	36.0	-	-	-	36.0
Army Reserve Contingency Operations	-	-	-	-	32.0	32.0
Subtotal, Readiness, Training, Operations	389.7	580.0	11.0	715.8	66.5	1,763.0
Contractual Obligations and Cost Growth						
C-17 Overhead Cost	-	-	-	49.0	-	49.0
Airborne Laser	-	-	-	153.0	-	153.0
Cost Growth on Ships Under Contract	-	222.0	-	-	-	222.0
Natural Gas/Electricity Growth	227.4	52.1	50.6	175.2	228.7	734.0
Subtotal, Contract Obligations & Cost Growth	227.4	274.1	50.6	377.2	228.7	1,158.0
Infrastructure and Weapons Maintenance						
California Electrical Demand Reduction	3.3	14.0	5.4	7.3	-	30.0
Oman Runway Repair	-	-	-	18.0	-	18.0
Air Force Base Realignment and Closure	-	-	-	9.0	-	9.0
Real Property Maintenance	126.0	44.0	-	16.0	-	186.0
Aircraft Depot Maintenance	-	77.0	-	199.0	-	276.0
Ship Depot Maintenance	-	200.0	-	-	-	200.0
U.S.S. Cole Repairs	-	44.0	-	-	-	44.0
Subtotal, Infrastructure & Weapons Maintenance	129.3	379.0	5.4	249.3	-	763.0
Transformation Capabilities						
Launch Vehicle Demonstration	-	-	-	48.0	-	48.0
Global Hawk	-	-	-	25.0	-	25.0
Miniature Munitions	-	-	-	20.0	-	20.0
Joint Experimentation	-	-	-	-	15.0	15.0
V-22 Aircraft	-	80.0	-	-	-	80.0
Subtotal, Transformation Capabilities	-	80.0	-	93.0	15.0	188.0
Other						
Classified Program	3.0	36.4	-	216.6	111.2	367.2
Subtotal, Classified	3.0	36.4	-	216.6	111.2	367.2
Total Supplemental Appropriations Request	971.4	1,433.5	136.0	1,758.9	1,848.4	6,148.2
Rescissions						
V-22 Rescission	-	-235.0	-	-240.0	-	-475.0
B-52 Rescission	-	-	-	-30.0	-	-30.0
Subtotal, Rescissions	-	-235.0	-	-270.0	-	-505.0
Total Supplemental Request, New Budget Authority	971.4	1,198.5	136.0	1,488.9	1,848.4	5,643.2

Source: Department of Defense, Under Secretary of Defense, Comptroller.

For Additional Reading

CRS Publications

CRS Report RL30977, *Defense Budget for FY2002: An Overview of Bush Administration Plans and Key Issues for Congress*, by Stephen Daggett.

CRS Report RS20924, *Coast Guard Legislation in the 107th Congress*, by Martin Lee.

Other Publications

Congressional Budget Office, *Emergency Spending Under the Budget Enforcement Act*, December 1998. (Available electronically at:
[<http://www.cbo.gov/showdoc.cfm?index=1050&sequence=0&from=5>])

Congressional Budget Office, *Emergency Spending Under the Budget Enforcement Act: An Update*, June 1999. (Available electronically at:
[<http://www.cbo.gov/showdoc.cfm?index=1327&sequence=0&from=5>])

Congressional Budget Office, *Supplemental Appropriations in the 1990s*, March 2001. (Available electronically at: [<http://www.cbo.gov/showdoc.cfm?index=2768&sequence=2&from=5>])