



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

THE DIRECTOR

November 30, 2020

The Honorable Richard Shelby
Chairman
Committee on Appropriations
United States Senate
Washington, DC 20510

Dear Chairman Shelby:

The Administration appreciates that the Senate Appropriations Committee has released appropriations bills that would provide the full range of the Federal Government's appropriations for the fiscal year (FY) ending September 30, 2021.

On August 2, 2019, the President signed into law the Bipartisan Budget Act of 2019, which amended the Balanced Budget and Emergency Deficit Control Act of 1985 (BBEDCA) discretionary spending caps for FYs 2020 and 2021. The Administration also formed an agreement with congressional leaders to adhere to a set of principles with respect to full-year FY 2021 appropriations bills.

The Administration would like to take this opportunity to share additional views regarding the Senate's versions of the appropriations bills that the Appropriations Committee released on November 10, 2020 (see attached).

The Administration looks forward to working with you as these bills advance through the legislative process.

Sincerely,

A handwritten signature in blue ink, appearing to read "RV" followed by a stylized flourish.

Russell T. Vought
Director

Enclosure

Identical Letter Sent to the Honorable Patrick Leahy

cc: The Honorable John Hoeven
The Honorable Jeff Merkley
The Honorable Jerry Moran
The Honorable Jeanne Shaheen
The Honorable Richard Durbin
The Honorable Lamar Alexander
The Honorable Dianne Feinstein
The Honorable John Kennedy
The Honorable Christopher Coons
The Honorable Shelley Moore Capito
The Honorable Jon Tester
The Honorable Lisa Murkowski
The Honorable Tom Udall
The Honorable Roy Blunt
The Honorable Patty Murray
The Honorable Lindsey Graham
The Honorable Susan Collins
The Honorable Jack Reed
The Honorable John Boozman
The Honorable Brian Schatz
The Honorable Cindy Hyde-Smith
The Honorable Chris Murphy

Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2021

The Administration appreciates that the bill includes funding for critical priorities, including:

- **Agriculture Research.** The Administration appreciates the bill's support for the National Bio- and Agro-Defense Facility but is disappointed that the bill does not include funding for competitive research grants that support industries of the future.
- **Goodfellow Complex.** The Administration appreciates the bill's support for the Goodfellow Federal Center, which provides U.S. Department of Agriculture (USDA) employees with a safe work environment, enhances cybersecurity components, and increases operational efficiencies within the Enterprise Data Center.
- **Food and Drug Administration (FDA).** The Administration appreciates that the bill generally supports increases requested in the FY 2021 Budget for FDA, which would help strengthen its ability to efficiently evaluate the safety and effectiveness of medical products and improve the safety of the Nation's food supply. The bill also provides funds for vital infrastructure improvements.

The bill includes funding that the Administration believes is not in line with the overall effort to control non-defense spending reflected in the FY 2021 Budget request or underfunds key investments in critical areas supported in the FY 2021 Budget request, including:

- **USDA Topline.** While the Administration appreciates the bill's support for priority USDA programs, it notes that the bill also provides funding in excess of the FY 2021 Budget request across a number of program areas. In total, the bill provides an estimated \$23.3 billion for USDA, \$1.6 billion more than the FY 2021 Budget request. The bill does not account for the over \$275 million in estimated carryover funding across multiple program areas in USDA.
- **Commodity Credit Corporation (CCC) Replenishment.** The Administration is disappointed that the bill fails to include language included in the FY 2021 Budget request that would allow CCC to replenish its borrowing authority using the third quarter financial statements in the event that it is needed.
- **Farm Production and Conservation Business Center (FPAC Business Center).** The Administration appreciates the support for information technology (IT) needed for continued effective program delivery but is disappointed that the FPAC Business Center is funded at \$233 million, \$11 million below the FY 2021 Budget request. The requested funding is needed for new functions being transferred to the FPAC Business Center and for the Digital Records Management Service initiative, which would improve the efficiency and effectiveness of field offices. The bill also

prohibits restructuring Farm Service Agency county offices, which limits the Administration's ability to leverage IT investments and deliver programs effectively.

- Natural Resources Conservation Service (NRCS). The Administration is disappointed that the bill provides \$1 billion for NRCS conservation programs, \$177 million above the FY 2021 Budget request, including \$175 million in unrequested funding for planning and construction of locally-owned watershed projects and flood control structures that are not a Federal responsibility. The bill fails to take into account the considerable levels of mandatory and discretionary carryover in technical assistance available to fund NRCS employee salaries and expenses.
- Rural Development (RD) Topline. While the Administration appreciates the bill's support for priority USDA RD programs, including the expansion of rural broadband, it also provides funding in excess of the FY 2021 Budget request across a number of duplicative programs.
- Animal and Plant Health Inspection Service (APHIS). The bill provides more than \$1 billion for APHIS, \$25 million above the FY 2021 Budget request. This is a significant increase for APHIS, which would be able to address animal and plant health at lower funding levels. The Administration is disappointed that the bill fails to include requested funding increases for Biotechnology Regulatory Services.
- Food Safety and Inspection Service (FSIS). The Administration is disappointed that the bill provides \$22 million below the FY 2021 Budget request for FSIS. FSIS spends 80 percent of its funding on salaries and benefits, predominantly for inspection personnel in establishments and other frontline employees such as investigators and laboratory technicians. Consistent with the President's April 28, 2020 Executive Order 13917, "Delegating Authority under the Defense Production Act with Respect to the Food Supply Chain Resources During the National Emergency Caused by the Outbreak of COVID-19," FSIS workforce personnel are essential workers during the COVID-19 pandemic and face significant challenges. At the funding level provided in the bill, FSIS would be unable to support current staffing levels making it difficult for FSIS to recruit and retain inspectors.
- Public Law 480, Title II Food Aid (Title II). The bill provides \$1.7 billion for Title II international food aid. The Administration believes that all food aid should instead be provided through the International Humanitarian Assistance account proposed in the FY 2021 Budget request that consolidates overseas humanitarian assistance programs and funding of the Department of State and U.S. Agency for International Development (USAID). While the United States is the world's largest donor of food aid, taxpayers expect such aid to be provided in the most cost-effective manner possible. Unfortunately, Title II is cost-inefficient, slow, and limits the ability of USAID to use the most appropriate food aid intervention for a particular crisis.

- McGovern-Dole International Food for Education and Child Nutrition. The Administration is disappointed that the bill provides \$220 million for the McGovern Dole International Food for Education and Child Nutrition program, which the FY 2021 Budget request proposed to eliminate. As described above, the Administration is prioritizing development assistance through USAID.

Commerce, Justice, Science, and Related Agencies Appropriations Act, 2021

The Administration appreciates that the bill includes funding for critical priorities, including:

- Federal Law Enforcement. The Administration appreciates that the bill provides \$16.0 billion for the Department of Justice (DOJ) law enforcement. The Administration encourages the Congress to fully fund the request for the United States Marshals Service, the Bureau of Alcohol, Tobacco, Firearms, and Explosives, and the Drug Enforcement Administration (DEA) in order to enhance fugitive apprehension, address violent crime, and tackle drug trafficking organizations.
- Combating the Opioid Crisis. The Administration appreciates that the bill fully funds anti-opioid efforts across DOJ, providing \$2.8 billion for the DEA in support of its efforts to eliminate prescription drug diversion and abuse, counteract growing heroin and fentanyl availability, and eradicate illicit drug marketplaces online. The bill also provides \$392 million for Comprehensive Addiction and Recovery Act grants including the Comprehensive Opioid, Stimulant, and Substance Abuse Program, Drug Courts, Veterans Treatment Courts, Mental Health Courts, Residential Substance Abuse Treatment, and Prescription Drug Monitoring Programs.
- Trade Enforcement. The Administration appreciates that the Committee continues to fund trade enforcement programs within the Department of Commerce's International Trade Administration and Bureau of Industry and Security which directly support the Administration's efforts to address unfair trade practices impacting United States businesses and national security. The Administration looks forward to working with the Congress to support the full FY 2021 Budget request to counter Chinese trade practices and enhance trade enforcement.
- Office of Space Commerce. The Administration appreciates that the bill provides strong support for the Administration's initiatives to advance American leadership in commercial space. Specifically, the bill provides \$11.8 million for the Office of Space Commerce, a \$7.7 million increase above the FY 2020 enacted level to initiate the Department's space situational awareness and space traffic management responsibilities as described in Space Policy Directive-3. The Administration looks forward to continued engagement with the Congress as these efforts progress and it continues to urge the Congress to support the transfer of the Office of Space

Commerce from the National Oceanic and Atmospheric Administration (NOAA) to the Office of the Secretary.

- Federal Prisoner Detention. The Administration appreciates that the Committee provides \$2.2 billion for Federal Prisoner Detention, \$154 million above the FY 2021 Budget request. This funding supports the Administration's request for additional resources as DOJ projects increases in the detention population due to increased enforcement of gun, drug, and immigration crimes.
- First Step Act of 2018. The Administration appreciates the strong support in this bill for the First Step Act, which fully funds the FY 2021 Budget request of \$409 million. This level of funding would expand inmate access to evidence-based, recidivism-reducing programs and alternatives to facility incarceration like Residential Reentry Centers (otherwise known as "halfway houses").
- Industries of the Future (IoTF). The Administration appreciates the support provided in the bill for IoTF. In particular, the Administration appreciates the additional resources provided to expand the National Institute of Standards and Technology's ongoing Artificial Intelligence research and measurement science efforts, as well as fully funding Artificial Intelligence and Quantum Information Science activities within the National Science Foundation's research account.

The bill includes funding that the Administration believes is not in line with the overall effort to control non-defense spending reflected in the FY 2021 Budget request or underfunds key investments in critical areas supported in the FY 2021 Budget request, including:

- National Aeronautics and Space Administration (NASA). The Administration appreciates the Committee's continued support for space exploration, reflected in the \$23.5 billion provided in the bill for NASA, including strong support for robotic missions to the Moon and Mars. However, the \$1 billion provided in the bill to develop the Human Lander System is \$2.3 billion below the level NASA anticipates needing to support the Administration's goal of returning to the Moon in 2024. The Administration also appreciates the Committee's support for the International Space Station, but is concerned that the Committee's under-funding of the Commercial Low Earth Orbit (LEO) Development program risks leaving the Nation without a presence in LEO when the International Space Station is eventually retired.
- Prison Construction. The Administration is disappointed that the bill fails to adopt its proposal to achieve \$505 million in savings by cancelling the long-delayed construction of a new prison.
- Executive Office of Immigration Review (EOIR). The bill provides \$734 million for DOJ's EOIR, \$149 million below the FY 2021 Budget request. This funding level fails to support the request to hire 100 new immigration judges, which would diminish the agency's ability to handle the increasing caseload before the courts. In

addition, EOIR would be required to realign base resources to support the Legal Orientation Program.

- Project Safe Neighborhoods (PSN). The Administration is disappointed that the bill fails to provide the full \$40 million requested in the FY 2021 Budget for the PSN program. PSN brings together law enforcement and communities to develop effective, locally-based strategies to reduce violent crime. The Administration looks forward to working with the Congress to ensure that the necessary funding is in place to fully support efforts to create safer neighborhoods through sustained reductions in violent crime.
- Program Eliminations. The bill would continue to fund multiple programs that are proposed for elimination in the FY 2021 Budget request. These include the Economic Development Administration, the Manufacturing Extension Partnership, several grant programs within the NOAA, the State Criminal Alien Assistance Program, and the Legal Services Corporation. The Administration urges the Congress to discontinue funding for these programs that are duplicative, unauthorized, lower in priority, or that could be better managed by State and local governments.

The Administration would also like to take this opportunity to share its views regarding language provisions in the bill including:

- NASA Europa Mission. The Administration is disappointed that the bill would require NASA to use the Space Launch System (SLS) rocket to launch the Europa Clipper mission. This would increase costs for the Clipper mission and deprive the lunar exploration effort of a rocket NASA needs for human exploration of the Moon. The Administration urges the Congress to provide NASA the flexibility called for by the FY 2021 Budget request.
- Sanctuary Jurisdictions. The Administration urges the Congress to adopt the amendments requested in section 221 of the DOJ general provisions of the FY 2021 Budget request. These amendments would clarify that Federal, State, and local governments must comply with immigration detainer requests and authorizes the Department of Homeland Security and DOJ to condition financial assistance on cooperation with Federal immigration enforcement activities and requests.
- Crime Victims Fund (CVF). The Administration urges the Congress to minimize the use of budget gimmicks such as the CVF change in a mandatory program—or CHIMP. The Administration looks forward to working with the Congress to reform the CVF to provide predictable and sufficient funding for crime victims and victim services.
- NASA Financial Systems Explanatory Statement Language. The Administration is disappointed that the Explanatory Statement includes language for NASA that could

potentially hinder the Administration's efforts to help the agency make necessary corrections to its financial systems. These changes are needed to eliminate current deficiencies and improve NASA's ability to efficiently comply with the Antideficiency Act.

- United States Commission on Civil Rights (USCCR). The Administration is disappointed that the language in the bill has not been modified to permit obligations for activities of the new "Commission on the Social Status of Black Men and Boys" (Public Law 116-156), established on August 14, 2020. The Administration is also disappointed that the bill fails to fund USCCR at a level of \$12 million that would enable it to fully fund its operations, including the operations and support the new commission. The Administration urges the Committee to include an additional \$1 million for USCCR as well as language that explicitly permits USCCR to obligate funds to the new commission, as the activities of this new commission and any of its activities that are beyond the scope of the Civil Rights Commission Act of 1983.
- Census Bureau Working Capital Fund. The Administration is disappointed that the bill fails to provide the necessary authority to transfer \$208 million of funds appropriated for the 2020 Decennial Census to the Census Working Capital Fund to be used for its facilities projects. The Administration looks forward to working with the Congress to support the funding of much-needed facilities infrastructure improvements via transfer without the need for additional appropriations.

Department of Defense Appropriations Act, 2021

The Administration appreciates that the bill includes funding for critical priorities, including:

- *Columbia*-Class Ballistic Missile Submarine and B-21 Bomber Programs. The Administration appreciates the Committee's support for these key nuclear triad modernization programs, which help to ensure that the nuclear forces of the United States will be able to deter and survive against evolving threats.
- Military Pay. The Administration appreciates the Committee's support for the 3.0 percent military pay raise as requested in the FY 2021 Budget.
- Space Force. The Administration appreciates that the Committee establishes the "Research, Development, Test and Evaluation (RDT&E), Space Force" and "Procurement, Space Force" appropriations within the Department of Defense (DOD) for the first time as well as provides the funding requested in the FY 2021 Budget for the United States Space Force.

- Fighter Aircraft Procurement. The Administration appreciates the Committee's support to procure 24 F/A-18E/F fighter aircraft for the Navy and 12 F-15EX aircraft for the Air Force (AF), consistent with the FY 2021 Budget request.

The bill includes funding that the Administration believes is not in line with the FY 2021 Budget request or underfunds key investments in critical areas supported in the FY 2021 Budget request, including:

- *Virginia*-Class Submarine. The Administration appreciates the Committee's addition of \$472 million in advance procurement of a second *Virginia*-Class Submarine. The Administration requests full funding, or an additional \$2.76 billion, however, for the procurement of the tenth Block V be provided in Fiscal Year 2021. While this funding was not requested in the FY 2021 Budget, DOD recently completed a comprehensive nine-month study of the Nation's naval force structure and needed requirements that confirmed the need for the immediate acceleration of *Virginia*-Class Submarine construction to at least two per year over the next five years to preserve the naval supremacy of the United States.
- Nuclear Modernization Programs. The Administration objects to reductions to the Long Range Standoff Weapon (LRSO) cruise missile, Ground Based Strategic Deterrent (GBSD), Trident II D5 Life Extension (D5LE2), ICBM Fuze Modernization, and Nuclear Weapons Support programs. These programs are integral to the Administration's nuclear triad modernization and to sustaining the credibility of the deterrent of the United States. Reductions to these programs could delay the replacement of legacy delivery systems that are well beyond their original design lives and thereby increase risk. The Administration also objects to language denying the use of RDT&E funding for planning and design activities, and the use of procurement funding to replace launch control and launch facilities in lieu of military construction funding for the GBSD program. This strategy provides an effective path to meet intercontinental ballistic missile alert requirements before Minuteman III age-out and attrition; reduces complexity; and holds the prime contractor accountable for the on-time conversion of Minuteman III launch facilities and launch centers to GBSD facilities.
- RDT&E. The Administration objects to the \$2.1 billion reduction to the DOD's RDT&E, as these investments are critical to support DOD's modernization priorities and foster innovation across the Department. In particular, the Administration strongly objects to reductions to the Navy's Large Unmanned Surface Vehicle. In addition, the Administration opposes potentially harmful rescissions of FY 2020 carryover funding from the Air Force's Hypersonic Prototyping Program and the National Security Innovation Network.
- Strategic Capabilities Office (SCO). The Administration appreciates the Committee's support to fully fund SCO, consistent with the FY 2021 Budget request. However, the Administration strongly objects to the \$150 million rescission from SCO's FY

2020 appropriation. This funding is critical to continue the development, demonstration, and transition of novel capabilities to counter threats and respond to the needs of Combatant Commands.

- Standard Missile (SM-6). The Administration strongly objects to the reductions in the bill for the Standard Missile-6 (SM-6) program, consisting of a \$50 million reduction for procurement and \$136 million reduction for RDT&E. The proposed reductions would cause a breach of the current multi-year procurement contract, which would lead to a renegotiation and probable loss of savings. It would also add significant and unacceptable schedule risk by delaying the delivery of the SM-6 Block IB capability by one year and, in the process, would also delay the Navy's ability to start addressing the DOD capability gap for long-range, hypersonic offensive strike weapons needed for near-peer adversaries.
- Aegis Ballistic Missile Defense (Aegis BMD) Programs. The Administration strongly objects to the combined \$123 million in reductions to Aegis BMD Programs and Aegis BMD Test for the Aegis underlay and urges the Congress to fully fund these programs at the level in the FY 2021 Budget request. The reductions in the bill would delay critical ground and flight tests required to implement the Administration's priority of achieving Layered Homeland Defense.
- Long Range Fires. The Administration strongly objects to the \$389 million reduction in the bill to the Conventional Prompt Strike Program and the \$45 million reduction in the bill to the Hypersonic Prototyping Program. These reductions would delay the development and fielding of sea-, land-, and air-based offensive hypersonic weapons by a minimum of one year. In addition to delaying the deployment of Navy, Army, and Air Force hypersonic capabilities, these reductions would destabilize the design process for the hypersonic weapon system, negatively impact efforts to strengthen the hypersonic industrial base, and increase costs due to contract termination of existing efforts. This would delay vital warfighting capability and increase United States warfighting asymmetry for long-range hypersonic weapons with near-peer adversaries as a result of their rapid hypersonic development. The Administration also objects to the proposed \$20 million reduction in the bill for the Rapid Prototyping Program (RPP). This reduction would significantly delay SCIFIRE, a joint and coordinated air-breathing hypersonic prototype effort. SCIFIRE provides the maturation vehicle for Defense Advanced Research Projects Agency Hypersonic Air-breathing Weapon Concept with a partner nation's co-investment. This reduction would create at least a two-year delay to this hypersonics program. In addition, the Administration strongly objects to the reduction of \$50 million for Precision Strike Missiles. The reduction would eliminate the program's ability to procure early operational capability missiles in FY 2021 and delay fielding to at least FY 2024, which does not meet the Army's requirement date to accelerate acquisition of enhanced long-range precision fires needed to counter emerging threats from near-peer adversaries by FY 2023.

- National Background Investigation Services. The Administration strongly objects to the \$24 million reduction in the bill to the National Background Investigation Services (NBIS). This funding reduction would cause a 12-month delay in the development and delivery of the new NBIS system and require continued sustainment of the Office of Personnel Management (OPM) legacy information technology systems, at a cost of \$176 million annually to taxpayers. A delay in unclassified Continuous Evaluation and Continuous Vetting support to customer agencies would jeopardize the Federal Government's ability to deliver a timely Trusted Workforce product. Further, this delay would also hamper OPM's ability to focus on modernization of the agency's other legacy systems.

Energy and Water Development and Related Agencies Appropriations Act, 2021

The Administration appreciates that the bill includes funding for critical priorities, including:

- Non-Defense Versus Defense Spending. The Administration appreciates that the bill, unlike the House version, does not appropriate defense funding for the contribution to the Uranium Enrichment Decontamination and Decommissioning Fund, a non-defense special fund, which essentially transfers defense cap space to non-defense. The Administration opposes the House's effort to shift non-defense resources under the defense cap.
- Nuclear Deterrent. The Administration appreciates the Committee's support for the nuclear weapons modernization and naval propulsion programs of the National Nuclear Security Administration (NNSA) at the Department of Energy (DOE). The bill provides critical funding necessary to modernize key weapons systems and recapitalize NNSA's deteriorating infrastructure, including the capability to produce 80 plutonium pits per year starting in 2030.
- Office of Science. The Administration appreciates the Committee's support for DOE's Office of Science's critical investments in the science and technology areas that fuel the Industries of the Future (IoTF), particularly the Committee's continued support of the five National Quantum Information Science Research Centers. The FY 2021 Budget request for the Office of Science funds critically important IoTF activities including artificial intelligence, quantum information science, and high-performance computing. In addition, through basic research in the physical sciences, the Office of Science implements the Administration's objectives for advancing United States science and technology and making the Nation prosperous and strong. The Administration urges the Congress to fund this office at the level requested in the FY 2021 Budget.
- Uranium Reserve. The Administration appreciates the Committee's support to fully fund the development of a new Uranium Reserve. Establishing this reserve is a

critical step in addressing the need for a robust domestic uranium supply. The Administration looks forward to working with the Congress on this energy security priority that has related economic and national security benefits.

- Army Corps. The Administration appreciates the Committee's support for water resources infrastructure through the Army Corps of Engineers. This funding is important to support key priorities such as restoration of the Everglades. The Administration, however, believes funding should be limited to the highest priority needs from a national perspective.

The bill includes funding that the Administration believes is not in line with the overall effort to control spending reflected in the FY 2021 Budget request or underfunds key investments in critical areas supported in the FY 2021 Budget request, including:

- Infrastructure. The Administration believes it is imperative to extend section 1043 of the Water Resources Reform and Development Act of 2014, as amended, which authorizes non-Federal implementation of construction of Federal projects, an important tool for reforming and improving investment in water resources. The Army Corps of Engineers has already entered into two successful agreements to implement projects under section 1043, demonstrating the benefits of this authority. The Administration believes it should be removing, not creating, barriers that prevent or slow investments that non-Federal parties deem priorities.
- Transparency. The Administration notes that the bill fails to revise appropriations language in five accounts within the Corps of Engineers, as proposed in the FY 2021 Budget request, to enable greater transparency in how funds are spent. Establishing separate appropriations accounts for the navigation trust funds would improve accountability, ensure appropriations are used in a manner consistent with statutory requirements, and increase transparency for the public, including the users that pay fees to finance some of these costs.
- Formerly Utilized Sites Remedial Action Program (FUSRAP). The Administration urges the Congress to move the Army Corps of Engineers funding in this bill for the FUSRAP to DOE, as proposed in the FY 2021 Budget request. Transferring responsibility for the administration and execution of this program to DOE would facilitate more efficient cleanup of contaminated sites, give DOE the flexibility to consider the full range of cleanup responsibilities in prioritizing work each fiscal year, reduce the costs for activities now undertaken by both agencies, and simplify the process for transferring these sites back to DOE for long-term surveillance and maintenance.
- Department of the Interior. The bill provides \$1.7 billion for the Bureau of Reclamation and the Central Utah Project Completion Act, \$573 million, or 50 percent, above the FY 2021 Budget request. The Administration appreciates the Committee's investment in water resources through the Bureau of Reclamation and

the Central Utah Project Completion Act, but believes funding should be limited to the amounts requested in the FY 2021 Budget and should be focused on the highest priority needs from a national perspective.

- Versatile Test Reactor (VTR). The bill underfunds the requisite early stage and follow on resources for VTR, a high priority project for the Administration. The VTR is critical to modernizing United States nuclear research and development (R&D) infrastructure and reclaiming global leadership in the development of the next generation of advanced reactors. Underfunding this project would substantially delay deployment, which would further hamper private-sector efforts to regain a competitive edge and continue to drive companies to use non-United States facilities for critical and needed testing. The Administration urges the Congress to fully fund this program at the level requested in the FY 2021 Budget.
- Applied Energy Programs. The Administration believes that the bill provides excessive funding for DOE's applied energy programs at approximately \$5.4 billion, \$2.6 billion more than the FY 2021 Budget request. The Administration urges the Congress to restrain funding levels across the applied energy technology programs. The Administration disagrees with the Committee's prioritization of technology demonstration and urges the Congress to focus resources toward early-stage R&D, where the Federal role is strongest. The private sector is best positioned to evaluate and invest in the commercial potential of energy technology advancements.
- Advanced Research Projects Agency-Energy (ARPA-E). The Administration believes that the continued funding of ARPA-E makes little strategic sense given the existence of applied energy research programs elsewhere within DOE. The Administration urges the Congress to incorporate ARPA-E's approach to technology development into DOE's applied energy programs.
- Loan and Loan Guarantee Programs. The bill maintains the Title XVII Innovative Technology Loan Guarantee Program, the Advanced Technology Vehicle Manufacturing Loan Program, and the Tribal Energy Loan Guarantee Program within DOE. The Administration proposed to eliminate these programs in the FY 2021 Budget request and to use the unobligated carryover balances of these programs to fund administrative expenses necessary to monitor the existing portfolio. The Administration urges the Congress to adopt its elimination proposals and to recognize the private sector's primary role in taking risks to finance projects in the energy and automobile manufacturing sectors.
- Artificial Intelligence and Technology Office (AITO). The Administration appreciates the Committee's support for AITO. However, given the critical coordination and leadership role this office plays, the Administration urges the Congress to provide the full \$4.9 million requested for AITO in the FY 2021 Budget request.

- Nonproliferation Fuels Development. The Administration is concerned that the bill includes \$15 million in funding within DOE for the development of low-enriched uranium fuels to replace highly-enriched uranium for naval applications. In 2018, the Secretary of Energy and the Secretary of the Navy jointly determined that the United States should not pursue such research and development because such a system would be far less capable and more expensive than current reactor designs.
- Nuclear Forensics. The Administration appreciates the Committee's support for NNSA's efforts to prevent, counter, and respond to nuclear threats. The Administration, however, objects to the reduction of \$40 million for NNSA's nuclear forensics activities. Forensics and attribution capabilities are key to deterring state support for nuclear terrorism, and the requested funding would empower the national laboratories to advance the technologies needed to support time-critical, interagency capabilities used in the event of a nuclear or radiological incident.

The Administration would also like to take this opportunity to share its views regarding the following language provisions in the bill:

- The Administration objects to provisions in the bill that would establish and provide appropriations for a new Army Corps credit program, the Water Infrastructure Finance and Innovation program. The Administration prioritizes modernizing the Nation's water infrastructure and recently, through Executive Order 13956, "Modernizing America's Water Resource Management and Water Infrastructure," created a governance structure to more effectively and efficiently manage our water resources. The Army Corps has expertise in engineering, designing, and constructing water infrastructure projects but is not well suited to evaluate proposed loans, service them, or otherwise undertake such a program. Expanding the Army Corps' workload by burdening them with managing a credit program would be beyond their mission scope and be duplicative with other existing Government programs.
- Chickamauga Lock. The Administration opposes the preferential reduction in the share of the cost that the users of the inland waterways would pay for the construction of Chickamauga lock by the Corps of Engineers. The Administration believes the users' share of capital investments on the inland waterways should continue to be 50 percent.

Financial Services and General Government Appropriations Act, 2021

The Administration appreciates that the bill includes funding for critical priorities, including:

- Office of Terrorism and Financial Intelligence (TFI). The bill provides TFI with \$176 million, a \$3 million increase over the FY 2021 Budget request. The Administration appreciates the Committee's recognition of TFI's growing sanctions,

enforcement, and intelligence analysis workload.

- Bureau of the Fiscal Service. The bill provides the Bureau of the Fiscal Service \$375 million, a \$15 million increase over the FY 2021 Budget request. The Administration appreciates the Committee's support and funding for the Department of the Treasury's role as the Financial Management Quality Service Management Office as well as the dedicated funding provided to further the digitization of unclaimed savings bonds, an important investment to help more Americans claim unredeemed bonds. The Administration also looks forward to working with Congress to improve death data sharing and further reduce improper payments.
- District of Columbia School Improvement. The Administration appreciates the increased funding for school choice and improvement in the District of Columbia, and applauds the reduction to the poorly-targeted Tuition Assistance Grants program, which the FY 2021 Budget request proposed to eliminate.
- National Archives and Records Administration (NARA) Electronic Records Initiative. The Administration appreciates that the bill provides \$9 million, which is equal to the FY 2021 Budget request, to advance and improve electronic records management, consistent with OMB Memorandum M-19-21, Transition of Electronic Records.
- Office of Personnel Management (OPM). The bill provides a total of \$355 million, \$24 million above the FY 2021 Budget request. While the Administration appreciates the additional funding to mitigate the agency's administrative expenses shortfall, OPM is also challenged with a critical need to stabilize its information technology (IT) infrastructure requiring an increase in IT resources above prior year enacted levels.
- Public Buildings Reform Board (PBRB). The Administration appreciates the Committee's support for the PBRB request level of \$3.5 million as well as \$31 million for the Asset Proceeds and Space Management Fund within the General Services Administration (GSA), both of which were established by the Federal Asset Sales and Transfer Act of 2016. This funding level would enable the PBRB to fully carry out its mission.

The bill includes funding that the Administration believes is not in line with the overall effort to control non-defense spending reflected in the FY 2021 Budget request or underfunds key investments in critical areas supported in the FY 2021 Budget request, including:

- Internal Revenue Service (IRS). The bill provides the IRS a total of \$11.5 billion, a \$528 million decrease from the FY 2021 Budget request. The Administration shares the Committee's goal of fiscal constraint but is disappointed that the bill does not provide funding for the implementation of the Taxpayer First Act, which requires an expansion of electronic filing options for individuals and businesses and more secure

taxpayer authentication and authorization procedures. The bill also constrains funding for existing IRS functions to previously enacted levels, which would slow progress modernizing antiquated tax administration systems and hamper efforts to provide taxpayers with adequate service whether online or on the phone.

- Community Development Financial Institutions (CDFI) Fund. The bill provides \$262 million for the CDFI Fund within the Department of the Treasury, \$248 million above the FY 2021 Budget request. The Administration is disappointed that the Committee continues funding for unnecessary discretionary award programs when scarce taxpayer resources would be better spent modernizing IRS systems and taxpayer services. The \$14 million requested in the FY 2021 Budget for administrative expenses is sufficient to support oversight of existing commitments and administration of other CDFI Fund programs.
- Small Business Administration (SBA) 7(a) Business Loan Program. The Administration is concerned that the bill provides \$15 million in subsidy for SBA's 7(a) Business Loan Program instead of updating the fee structure to cover the subsidy cost. In addition, the Administration is disappointed that the Committee did not adopt the administrative fee proposal included in the FY 2021 Budget request. The Administration welcomes the opportunity to work with the Congress to support SBA's business loan programs while balancing the cost to taxpayers.
- SBA Entrepreneurial Development Programs. The bill provides \$260 million for SBA's Entrepreneurial Development Programs, \$92 million above the FY 2021 Budget request. The Administration is concerned that the bill fails to include the reforms proposed in the FY 2021 Budget request to the Small Business Development Centers program to create a competitive set-aside and allow for data sharing, which would enable the program to better measure and evaluate effectiveness.
- SBA Disaster Loan Program Administration. The Administration is disappointed that the bill provides \$143 million for Disaster Loan Program Administration as disaster funding, rather than providing regular appropriations as included in the FY 2021 Budget request. This language would also limit SBA's flexibility in addressing both SBA and Robert T. Stafford Disaster Relief and Emergency Assistance Act disasters at a time when the agency is experiencing an unprecedented workload.
- NARA. The Administration is disappointed that the Committee did not fund NARA's veterans' records initiative, which would support veterans' access to records necessary to obtain military benefits.
- Federal Buildings Fund (FBF) Capital Program. The Administration is disappointed that the bill continues to underfund the GSA capital program. The diversion of more than \$1 billion in receipts fails to provide Federal agencies with the commercial equivalent space and services that agencies pay for in rent. The bill fails to fund critical construction, renovation, and consolidation priorities within the FBF Capital

Program, including the next phase of construction at the Department of Homeland Security's consolidated headquarters at St. Elizabeths and purchase or construction of critical Federal Bureau of Investigation field offices. Since FY 2011, the Congress has redirected approximately \$9.3 billion in GSA rent receipts to other congressional priorities.

- **Technology Modernization Fund (TMF).** The Administration is disappointed that the bill fails to provide funding for the TMF. The Administration urges the Congress to provide the full \$150 million proposed in the FY 2021 Budget request, which would support a more rapid transition of legacy systems and the adoption of more secure commercial technology. To date, the TMF Board has announced funding for 10 projects totaling \$116 million, all of which are undergoing Board oversight and are on track to deliver modernized technologies on an accelerated schedule thanks to TMF resources. With \$150 million in seed funding appropriated through FY 2020, the TMF Board has received more than 50 proposals from agencies, far exceeding the amount of resources available in the fund.
- **Payroll Shared Services.** The Administration urges the Congress to fund GSA's Working Capital Fund at the \$20 million level requested in the FY 2021 Budget to support the Government-wide transition to NewPay. Over the last decade, there have been no significant investments to modernize the Federal legacy payroll systems and applications, some of which are in their fourth decade of operation. Funding is needed to move the Federal Government from legacy payroll processing technology to cloud-based software-as-a-service technology, which would reduce costs, improve security posture, increase user experience and service, and allow for better management of overall resources related to payroll processing.
- **Federal Capital Revolving Fund (FCRF).** The Administration continues to support the establishment of the FCRF, a new budgetary mechanism for large civilian real property projects. The Administration transmitted legislative language in June 2018 and looks forward to working with the Congress to enact the FCRF proposal.

The Administration would also like to take this opportunity to share its views regarding the following language provision in the bill:

- **Federal Civilian Employee Pay.** In the context of budgetary constraints and the recent, pandemic-related impacts on non-Federal labor markets, the Administration supports the policy in the bill to maintain for 2021 the current level of Federal civilian employee pay.

Department of Homeland Security Appropriations Act, 2021

The Administration greatly appreciates that the bill includes funding for critical priorities, including:

- **Border Wall.** The Administration appreciates that the bill would fully fund the \$2 billion requested in the FY 2021 Budget for the border wall system along the United States southern border in a manner that allows the Department of Homeland Security (DHS) to construct the wall in areas that meet the Border Patrol's operational priorities as outlined in the Border Security Improvement Plan. The border wall is crucial to promoting national security and effectively stopping human traffickers and drug smugglers, who have long exploited the Nation's dilapidated and ineffective border barriers.
- **Immigration and Customs Enforcement (ICE) Detention Beds.** The Administration appreciates that the bill does not reduce ICE detention levels and provides funding to support an average daily population in ICE custody of approximately 45,000, including 2,500 family beds. However, enhanced investment in ICE detention, particularly family detention, is needed to secure the United States southern border, detain removable aliens—including visa overstays—and keep criminal aliens off of America's streets.

The bill includes funding that the Administration believes is not in line with the overall effort to control non-defense spending reflected in the FY 2021 Budget request or underfunds key investments in critical areas supported in the FY 2021 Budget request, including:

- **Law Enforcement Officers.** The bill fails to provide funding to hire additional Border Patrol Agents necessary to secure the border. The Administration appreciates funding to sustain ICE personnel for opioid and child exploitation investigations. However, more law enforcement and support personnel are necessary to maintain community safety and enforce the Nation's immigration laws.
- **Federal Emergency Management Agency (FEMA) Formulaic Grants.** The Administration is disappointed that the bill supports prescribed FEMA grants that lack evidence-based distribution or justification and fails to reform these programs.
- **Office of the Immigration Detention Ombudsman.** The bill provides \$10 million in excessive funding for DHS to establish an Office of the Immigration Detention Ombudsman. Oversight that would be conducted by the Ombudsman is unnecessarily duplicative of monitoring by DHS, ICE, and the DHS Office of Inspector General, as well as monitoring conducted through contracts for routine inspection of detention facilities.
- **DHS Headquarters Consolidation.** The Administration is concerned that the bill fails to provide funding for St. Elizabeths construction and National Capital Region lease consolidation in FY 2021. Delays in construction and lease consolidation would extend the timeline for DHS to terminate high-cost leases and saddle the Department with less efficient, more costly alternatives.

- Transportation Security Administration (TSA). The Administration appreciates that the bill supports the Transportation Security Officer workforce initiatives requested in the FY 2021 Budget. The Administration is disappointed, however, that the Committee continues to provide \$189 million for unrequested, redundant, and unnecessary TSA programs.

The Administration would also like to take this opportunity to share its views regarding the following language provision in the bill:

- Visiting DHS Facilities. The bill includes language in section 531 prohibiting DHS from preventing any member of Congress from entering any DHS facility used to house aliens. This provision is unnecessary because DHS already honors congressional requests to visit its facilities.

Department of the Interior, Environment, and Related Agencies Appropriations Act, 2021

The Administration appreciates that the bill includes funding for critical priorities, including:

- Wildland Fire Costs. The Administration appreciates that the Committee provides \$5.1 billion for the Department of Agriculture (USDA) Forest Service and Department of the Interior (DOI) wildland fire programs, of which \$1.4 billion fully funds the base amount of wildland fire suppression resources needed to access up to \$2.4 billion in wildfire cap adjustment funds.
- Offshore Energy. The Administration appreciates that the Committee provides a combined \$406 million, \$6 million above the FY 2020 enacted level, for the Bureau of Ocean Energy Management and the Bureau of Safety and Environmental Enforcement to support the Administration's efforts to safely expand energy development on the Outer Continental Shelf.
- United States Geological Survey (USGS) Satellite Operations. The Administration appreciates that the bill provides \$32 million for development of the ground system for Landsat 9, equal to the FY 2021 Budget request. The new satellite would support near-weekly updates for hundreds of land cover applications, supporting tens of thousands of government, commercial, and academic users across the Nation.
- Great Lakes Restoration Initiative. The Administration appreciates that the bill would provide \$320 million for the Great Lakes Restoration Initiative, equal to the FY 2021 Budget request.
- Great American Outdoors Act (GAOA). The Administration continues to work diligently to implement the GAOA, which represents a tremendous commitment by both the Congress and the Administration to tackle deferred maintenance needs and

invest in new conservation and recreation opportunities. The Administration recently transmitted a list of priority deferred maintenance projects that are ready to be implemented in FY 2021, and commits to providing additional information on these projects. However, the Administration disagrees with the bill's incorporation of the project-level allocations contained in the explanatory statement, which unduly challenges efficient project execution and the maximization of these resources' on-the-ground impact.

- Leases pursuant to section 105(l) of the Indian Self-Determination and Education Assistance Act (ISDEAA). The Administration appreciates that the bill provides indefinite appropriations authority to the Indian Health Service and the Bureau of Indian Affairs for payments to tribes and tribal organizations for leases pursuant to section 105(l) of ISDEAA.

The bill includes funding that the Administration believes is not in line with the overall effort to control non-defense spending reflected in the FY 2021 Budget request or underfunds key investments in critical areas supported in the FY 2021 Budget request, including:

- Environmental Protection Agency (EPA) Operating Programs. In total, the bill provides an estimated \$3.4 billion for EPA's Environmental Program Management and Science and Technology accounts, approximately \$703 million more than the FY 2021 Budget request. The FY 2021 Budget request proposed to focus funding on EPA's core activities of protecting air, land, and water resources, and ensuring the safety of chemicals to make the Agency a better steward of taxpayer dollars. The bill, however, provides significant unrequested funding for additional activities and programs that go beyond EPA's core statutory requirements.
- Environmental Grants. The Administration is disappointed that the bill provides \$4.3 billion for EPA's State and Tribal Assistance Grant account, an increase of approximately \$1.5 billion over the FY 2021 Budget request. Within this account, the bill provides significant unrequested funding, including support for categorical grants, and activities that go beyond core statutory mandates.
- DOI Topline. While the Administration appreciates the Committee's support for priority DOI programs, it is disappointed that the bill also provides funding in excess of the FY 2021 Budget request across a number of DOI program areas. These include Bureau of Land Management operations, Fish and Wildlife Service programs, and USGS research. In total, the bill provides an estimated \$13.2 billion for DOI, \$1.6 billion more than the level in FY 2021 Budget request.
- Hazardous Fuels. Reducing fuel loads to mitigate wildfire severity is a critical Administration priority. The level provided in the bill is nearly \$100 million below the FY 2021 Budget request. This reduction from the requested level is likely to impair performance, including achieving the Administration's goals in Executive Order 13855, "Promoting Active Management of America's Forests, Rangelands, and

Other Federal Lands to Improve Conditions and Reduce Wildfire Risk,” and the commitment in the California Shared Stewardship Agreement to treat one million acres annually.

- Ending HIV Epidemic Initiative. The Administration is disappointed that the bill fails to include the \$27 million requested in the FY 2021 Budget for the Indian Health Service (IHS) to support the Administration’s Ending HIV Epidemic Initiative in Indian Country.
- IHS Electronic Health Record (EHR) Modernization. The Administration is disappointed that the bill only provides \$8 million for the EHR modernization project, \$117 million below the FY 2021 Budget request. EHR modernization is critical to improving healthcare delivery and quality.
- National Endowment for the Arts (NEA), National Endowment for the Humanities (NEH), and the Woodrow Wilson International Center for Scholars (Wilson Center). The Administration is disappointed that the bill fails to eliminate or reduce Federal funding for NEA, NEH, and Wilson Center as proposed in the FY 2021 Budget request. The Administration recognizes the positive effects the arts and humanities have on the Nation’s communities; however, the FY 2021 Budget request proposed an orderly phase-out of Federal funding for these agencies, as the Administration does not consider their activities to be core Federal responsibilities.

Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2021

The Administration appreciates that the bill includes funding for critical priorities, including:

- Ending HIV Epidemic Initiative. The bill provides \$473 million for this Administration priority initiative, including \$200 million for the Centers for Disease Control and Prevention, \$137 million for Health Centers, \$120 million for the Ryan White HIV/AIDS Program, and \$16 million for the National Institutes of Health (NIH) Centers for AIDS Research.
- Opioid Epidemic. The Administration appreciates that the bill provides resources to address the opioid epidemic, such as \$1.5 billion for State Opioid Response grants.
- Apprenticeship. The Administration appreciates that the bill provides \$195 million for apprenticeship programs, and in particular \$10 million for the Industry-Recognized Apprenticeship Program, the first-ever appropriation for this important Administration initiative to expand apprenticeship to more employers, industries, and occupations.

- **Mental Health.** The bill provides funding in the Substance Abuse and Mental Health Services Administration that would address serious mental illness and help reduce suicide, including \$250 million for Certified Community Behavioral Health Clinics, which is \$25 million above the FY 2021 Budget request, and \$23 million for the National Suicide Prevention Strategy, which is \$2 million above the FY 2021 Budget request.
- **Student Aid Administration (SAA).** The bill provides \$1.9 billion for SAA, which is \$100 million above the FY 2020 enacted level. This funding would allow Federal Student Aid to continue to implement the Next Generation Processing and Servicing Environment, improve cybersecurity, and protect the data of more than 40 million Americans with student loans.
- **Reemployment Services and Eligibility Assessments (RESEA).** The Administration strongly supports funding in the bill for RESEA in accordance with the Bipartisan Budget Act of 2018. RESEA is an evidence-based intervention that reduces improper payments in the Unemployment Insurance (UI) program while getting claimants back to work more quickly and at higher wages.
- **Community Economic Development (CED) Program.** The Administration appreciates that the bill would eliminate \$20 million in funding for the CED Program. This elimination is consistent with the FY 2021 Budget request and would allow for better utilization of Federal funds, as CED is duplicative of other programs.
- **Ensuring Union Financial Integrity.** The Administration appreciates the Committee's inclusion of \$48 million for the Department of Labor's Office of Labor-Management Standards. These funds would help restore the Agency's enforcement capacity and protect workers by safeguarding union financial integrity.

The bill includes funding that the Administration believes is not in line with the overall effort to control non-defense spending reflected in the FY 2021 Budget request or underfunds key investments in critical areas supported in the FY 2021 Budget request, including:

- **More than \$6 Billion in Unnecessary Spending at the Department of Education.** The Administration is disappointed that the bill provides funding for more than 20 programs that the FY 2021 Budget request proposed for elimination or consolidation because they have achieved their original purpose, duplicate other programs, are narrowly focused, or are unable to demonstrate effectiveness. This includes \$2.1 billion for Title II Supporting Effective Instruction State Grants, \$1.3 billion for 21st Century Community Learning Centers, and \$865 million for Supplemental Educational Opportunity Grants.
- **Job Corps.** The bill provides \$1.7 billion for Job Corps, which is \$728 million above the FY 2021 Budget request, and continues to fund low-performing centers that are

failing students by providing substandard training that does not lead to jobs.

- Corporation for Public Broadcasting (CPB). The bill does not eliminate Federal funding for CPB, which the FY 2021 Budget request proposed as part of the Administration's plan to move the Nation towards fiscal responsibility and to redefine the proper role of the Federal Government. CPB grants represent a small share of the total funding for public broadcasting, and the Administration believes private donations or other non-Federal sources should be used to fill any shortfall.
- Corporation for National and Community Service (CNCS). The Administration is disappointed that the bill provides \$1.2 billion for CNCS, which the FY 2021 Budget request proposed to eliminate. Funding community service and subsidizing the operation of nonprofit organizations are outside the proper role of the Federal Government and should instead be supported with private donations.
- Teen Pregnancy Prevention (TPP) program. The bill provides \$101 million for the TPP program within the Department of Health and Human Services (HHS). The FY 2021 Budget request proposed to eliminate the TPP program, which serves less than one percent of teenagers in the United States.
- Health Professions Training Programs. The bill includes \$751 million for health professions training programs, which is \$500 million above the FY 2021 Budget request. There is limited evidence that these programs expand the supply, or improve the distribution, of healthcare professionals directly. The proposal in the FY 2021 Budget request to eliminate these and other lower-priority programs allows the Federal Government to fund other programs that place healthcare professionals in health shortage areas in a fiscally responsible manner.
- Office of Foreign Labor Certification (OFLC). The Department of Labor's OFLC protects American workers by ensuring that employers wanting to hire foreign workers have first demonstrated that United States workers are not available. The bill provides only \$69 million for this activity, \$11 million below the FY 2021 Budget request. The Administration urges the Congress to fully fund the FY 2021 Budget request and to consider the Administration's proposed workload-based fee proposals, which would address the Congress' expressed concern about case processing backlogs, including those in the H-2B program.
- NIH. The Administration appreciates the Committee's support of high-priority research areas identified in the FY 2021 Budget request, such as the Childhood Cancer Data Initiative and Artificial Intelligence at NIH. Strategic funding accelerates the development of treatments and interventions. The bill, however, provides almost \$4 billion more than the FY 2021 Budget request for NIH and is the sixth consecutive \$2 billion increase, which is unsustainable. The bill also fails to consolidate the Agency for Healthcare Research and Quality's activities into NIH within HHS, instead providing \$257 million, which is the same as the FY 2021

Budget request for the Agency for Healthcare Research and Quality within NIH.

- Career and Technical Education (CTE). The Administration is disappointed that the bill only provides \$1.4 billion for CTE, which is \$75 million above the FY 2020 enacted level, but \$688 million below the FY 2021 Budget request. The amount in the bill is insufficient to support high-quality CTE in every high school.

The Administration would also like to take this opportunity to share its views regarding the following language provision in the bill:

- Indirect Costs. The Administration appreciates the inclusion of language that would permit NIH to support the 21st Century Cures Act Research Policy Board. The bill, however, also includes a number of objectionable language provisions, including section 224, which would prohibit changes to the method that NIH uses to pay grantee institutions for facilities and administrative costs. The section also prohibits other Federal departments and agencies from developing or implementing modified indirect cost policies in Part 75 of Title 45 of the Code of Federal Regulations, which inhibits agency staff and stakeholders from developing Government-wide strategies to maximize effectiveness of Federal Government programs and reduce burden, such as through the Research Policy Board.

Military Construction, Veterans Affairs, and Related Agencies Appropriations Act, 2021

The Administration appreciates that the bill includes funding for critical priorities, including:

- Military Construction/Family Housing Appropriation. The Administration appreciates the continued support for military construction and family housing programs by providing \$8.1 billion in total appropriations in the bill. This funding is critical to supporting the training, readiness, and support requirements of the military departments, while providing housing for service members and their families in the United States and abroad.
- Veterans Programs. The Administration appreciates the Committee's robust discretionary funding level for the Department of Veterans Affairs (VA). This funding level enables the Administration to deliver critical investments in high-priority initiatives that ensure veterans receive top-quality care, benefits, and services – wherever they work or live. This funding also supports key Administration priorities such as prevention programs focused on veteran suicide and opioid abuse, and continues to integrate the changes enshrined in the VA MISSION Act of 2018.

The bill includes funding that the Administration believes is not in line with the overall effort to control non-defense spending reflected in the FY 2021 Budget request or underfunds key investments in critical areas supported in the FY 2021 Budget request, including:

- Reprioritization of Military Construction Funding to Unrequested Projects (Title I). The Administration objects to the bill's proposed realignment of military construction funding from priority projects to other projects not included in the FY 2021 Budget request. Contrary to the Administration's fiscally responsible policy to fully fund projects, the bill proposes to fund incrementally seven military construction projects, effectively creating an unfunded obligation of \$403 million needed to complete these projects over time. In addition, the bill would divert \$585 million from fully funded projects requested in the FY 2021 Budget request to other unrequested projects.

Department of State, Foreign Operations, and Related Programs Appropriations Act, 2021

The Administration appreciates that the bill includes funding and language for critical priorities, including:

- Protecting Life. The Administration appreciates the Committee's inclusion of language upholding longstanding restrictions on promoting and providing abortions with foreign assistance funds and also appreciates the inclusion of legislative language implementing the Administration's Protecting Life in Global Health Assistance policy. The Administration is also supportive of the bill's prohibition on providing funding to the United Nations Population Fund, consistent with the Secretary of State's 2020 determination that the organization partners with entities engaging in anti-life activities.
- Israel. The Administration appreciates that the Committee provides \$3.3 billion in Foreign Military Financing for Israel, thereby fully supporting the 2021 commitment of the United States toward the 10-year United States-Israel Memorandum of Understanding.
- Women's Global Development and Prosperity (W-GDP) Initiative. The Administration appreciates that the Committee recommends up to \$200 million requested in the FY 2021 Budget to advance women's economic empowerment globally. The Administration prefers that not less than \$200 million be made available for this purpose.
- U.S. Development Finance Corporation (DFC). The Administration appreciates that the Committee provides DFC the requested \$700 million for programmatic activities. However, the Administration continues to request the flexibility to use these funds interchangeably across all of DFC's tools. In addition, the Administration is disappointed that the Committee added additional language in the bill that would cap transfers for loans and grants at \$50 million. The bill also does not include the proposal that would enable the DFC to participate in projects in high-income countries in limited circumstances.

- Foreign Military Financing (FMF) Loan Authority. The Administration supports language in the bill that would provide authority for Foreign Military Financing loans and guarantees to Jordan and Tunisia. This is an important tool for making the defense equipment of the United States a more competitive and affordable option for allies and therefore, the Administration urges the Congress to consider additional language that would be more inclusive of other North Atlantic Treaty Organization (NATO) and Major Non-NATO Allies.
- Venezuela Transition. The Administration appreciates the Committee's support to the Venezuelan people by providing \$35 million in assistance. The Administration, however, is concerned that the bill fails to provide the special transfer authority requested in the FY 2021 Budget that would allow for more flexibility in how the United States responds to the crisis in Venezuela. Special transfer authority would enable the United States to initiate additional programming much more quickly to support a democratic transition and related needs. The Administration urges the Congress to provide such authority in a final bill to support the people of Venezuela in their fight against tyranny.
- Countering Malign Influences and Promoting the United States Model. The Administration appreciates the inclusion of \$1.5 billion to support the Indo-Pacific Strategy, as well as \$300 million for the Countering Chinese Influence Fund and \$290 million to Counter Russian Influence. These funds are critical to ensure the United States is equipped to address strategic challenges around the globe.

The bill includes funding that the Administration believes is not in line with the overall effort to control non-defense spending reflected in the FY 2021 Budget request, including:

- International Affairs Topline. In total, the bill provides significantly more funding than was requested in the FY 2021 Budget, which is counter to Administration efforts to rein in non-defense discretionary spending. The bill also does not eliminate the use of Overseas Contingency Operations funding for Function 150 programs, which has been proposed in the last three Presidents' Budgets. For the Department of State (State) and the U.S. Agency for International Development (USAID), the estimated funding level in the bill is \$11.8 billion, or 29 percent, above the level requested in the FY 2021 Budget when including funding for Public Law 480 Title II Food Aid.
- Economic and Development Assistance. The bill provides \$7.4 billion for economic and development assistance accounts, which is \$1.3 billion, or 23 percent, above the levels requested in the FY 2021 Budget. The Administration opposes this high level of spending because it exceeds what is needed to support United States national security, promote United States prosperity and economic opportunities, and advance American interests and values around the world. The bill also fails to consolidate this funding into one Economic Support and Development Fund appropriation, as was proposed in the FY 2021 Budget request, maintaining unnecessary accounts with specialized objectives and limiting flexibility.

- Global Fund for HIV/AIDS, Tuberculosis, and Malaria (Global Fund). The Administration is disappointed that the bill fails to seek improved international burden sharing in support of the Global Fund. The Administration also objects to the excessive level of funding provided; when combined with previous years' appropriations towards the sixth replenishment cycle, the total funding would exceed the pledge of the United States of \$3.3 billion, undercutting the Administration's stated commitment and foreign policy role. The bill provides more than \$900 million above the levels requested in the FY 2021 Budget. While the Administration supports the work of the Global Fund, the proposal to increase burden sharing in the FY 2021 Budget request would challenge other donors to contribute their fair share. The bill instead would obstruct the matching pledge of the United States and require the United States to play a larger role, even while American support already represents well above half of global funding to combat HIV/AIDS.
- Program Eliminations and Reductions. The bill maintains or increases funding that the Administration proposed to eliminate or substantially reduce in the FY 2021 Budget request. This includes: Educational and Cultural Exchanges; the African Development Foundation; the Inter-American Foundation; The Asia Foundation; the East-West Center; the International Fund for Agricultural Development; the U.S. Institute of Peace; and the U.S. Trade and Development Agency. Other accounts highlighted in the *Major Savings and Reforms* volume of the FY 2021 Budget request would be reduced relative to FY 2020 enacted, but still far exceed the levels requested in the FY 2021 Budget.

The Administration would also like to take this opportunity to share its views regarding several unacceptable, problematic, or missing language provisions in the bill including:

- United Arab Emirates (UAE). The Administration opposes the explanatory statement's inclusion of enhanced requirements with regard to security cooperation with UAE following the historic Abraham Accords Middle East peace deal. The Administration has followed, and will continue to follow, statutory notification and reporting requirements related to such cooperation and requests that appropriations bills not seek to establish notification and reporting regimes that are separate and inconsistent with existing law.
- U.S. Agency for Global Media (USAGM). The Administration strongly opposes the bill's restrictions on USAGM's funding, as the amounts laid out for each individual broadcasting entity would strip all flexibility from the USAGM Chief Executive Officer (CEO) to fund the grantees and Federal broadcasters as the CEO sees fit for the Agency. While the additional oversight conditions imposed refer to protecting journalistic integrity at the Agency, the practical effect would be to hobble the CEO from carrying out his mandate to manage and lead international broadcasting of the United States. The President has been clear in his support for the Agency, its leader, and the needed reforms to ensure that USAGM carries out its mission to inform and

engage world audiences and Voice of America's mission to represent the United States, its people, and its policies worldwide and to be a reliable source of news.

- **Funding Flexibility.** The Administration strongly opposes provisions that would significantly reduce the Administration's flexibility to allocate funds in carrying out the President's constitutional foreign policy duties. Section 7019 of the bill would again require that allocations for assistance accounts conform to numerous detailed congressional funding directives. The bill, however, does provide additional flexibility for State to realign operational funding to respond to emergencies.
- **Overseas Humanitarian Assistance Reorganization.** The Administration is disappointed that the bill excludes provisions proposed in the FY 2021 Budget request that would strengthen and improve outdated and fragmented overseas humanitarian assistance, including a new International Humanitarian Assistance account where spending could adapt to meet the needs of affected populations as crises drive populations back and forth across borders and within their own countries. In addition, section 7062(b) of the bill retains language enacted in FY 2019 and FY 2020 that limits improvements to the humanitarian structure of the United States by unnecessarily interfering in how bureaus are managed and funds are administered. The Administration believes that a stronger and seamlessly coherent United States Government structure is needed to resolve conflicts underlying the largest crises while optimizing the outcomes for both beneficiaries and American taxpayers.
- **Saudi Arabia.** Section 7041(h)(2) of the bill would impose conditions on Export-Import Bank funding related to how the Administration should approach civil nuclear cooperation with Saudi Arabia. The Administration opposes language that would in any way aim to restrict the flexibility available to the Secretary of State pursuant to authorities under the Atomic Energy Act of 1954 (as amended). The language could also weaken the Administration's ability to support the United States civil nuclear industry's pursuit of commercial opportunities internationally, at a time when the entire United States Government should be instead redoubling efforts to counter Russian and Chinese influence in the civil nuclear market worldwide.
- **Country Earmarks.** The Administration opposes language in the bill earmarking funding for a wide range of countries, which would impede the President's ability to conduct foreign policy and make adjustments as necessary to advance objectives of the United States.
- **Sudan Legal Peace and Foreign Assistance.** On November 23, 2020, the Administration sent the Committee a letter requesting the authorizing language and the resources necessary to address the recent positive developments in Sudan. The Administration requests the inclusion of these provisions in final FY 2021 appropriations.

Transportation, Housing and Urban Development, and Related Agencies Appropriations Act, 2021

The Administration appreciates that the bill includes funding for critical priorities, including:

- **Infrastructure Investments.** The Administration appreciates that the Committee provides funding that would help to revitalize American infrastructure and is consistent with the Administration's goal to pursue additional investment in the Nation's highway, transit, rail, and aviation infrastructure. However, while discretionary increases to Department of Transportation highway, transit, and aviation mandatory formula programs are useful, the Administration urges the Congress to reallocate from these increases an additional \$1 billion to the Infrastructure for Rebuilding America grant program, as proposed in the FY 2021 Budget request.
- **Highway Trust Fund (HTF).** The Administration appreciates that the bill provides obligation limitation levels for HTF programs that are consistent with the one-year surface transportation authorization extension included in the recent Continuing Resolution. However, the lack of certainty from short-term extensions impedes the States' ability to effectively plan and deliver critical projects. The Administration looks forward to working with the Congress to pass a long-term, fiscally-responsible surface transportation reauthorization.

The bill includes funding that the Administration believes is not in line with the overall effort to control non-defense spending reflected in the FY 2021 Budget request or underfunds key investments in critical areas supported in the FY 2021 Budget request, including:

- **Amtrak.** The Administration is disappointed that the Committee continued the status quo, providing Amtrak \$2 billion, more than \$1 billion above the FY 2021 Budget request, for all of its operations, including its highly inefficient long-distance trains. The Administration believes that there is a real opportunity to reform and improve Amtrak service across the United States. To accomplish this, the Administration urges the Congress to support the proposal included in the FY 2021 Budget request to eliminate direct long-distance operating subsidies, and instead provide National Network Transformation grants to the States. This proposal would begin a restructuring of the Amtrak network, which has not markedly changed in more than 40 years. In addition, Amtrak should have the ability to manage its police force based on need rather than legislative mandate.
- **Essential Air Service (EAS).** The Administration is disappointed that the Committee did not include the proposals included in the FY 2021 Budget request to reform the EAS program at DOT. EAS needs to be reformed as total EAS spending has increased 600 percent since 1996. The Administration believes that commonsense, modest reforms can be implemented to control costs, while ensuring that truly remote

communities receive air service.

- **Cable Security Fleet Program.** The Administration opposes the bill's inclusion of \$10 million to fund retainer payments to corporate owners of United States flagged cable repair ships. There is no discernable justification for this program, as there is a robust global network of private cable repair ships available to meet commercial needs, and the Department of Defense has no cable repair readiness gap.
- **Transportation Demonstration Program.** The Administration opposes the bill's inclusion of \$100 million in unrequested funding for a new and unauthorized freight discretionary grant program. The Administration supports targeted investments in freight projects that are efficient and have a strong Federal nexus, but is concerned that the program's restrictive eligibility requirements would unnecessarily limit competition for the funding, and make it difficult to ensure the resources are used most effectively. The Administration believes that this program should be considered as part of reauthorizing surface transportation programs.
- **Rental Assistance Programs.** The bill provides \$47.4 billion, \$6.0 billion above the FY 2021 Budget request, for rental assistance programs at the Department of Housing and Urban Development (HUD). The Administration is disappointed that the bill continues to reflect the status quo and does not include the proposed legislative reforms requested in the FY 2021 Budget request to Housing Choice Vouchers, Project-Based Rental Assistance, Public Housing, and Housing for the Elderly and Persons with Disabilities. The Administration's proposal includes uniform work requirements and offers public housing authorities, property owners, and HUD-assisted families a simpler and more transparent set of rent structures. The Administration's proposed set of rent structures would reduce administrative burden, incentivize work, and place HUD's rental assistance programs on a more fiscally sustainable path.
- **HUD Block Grants.** The bill continues to provide funding for the Community Development Block Grant (CDBG) and HOME Investment Partnerships Programs (HOME) at HUD, both programs which the Administration proposed to eliminate in the FY 2021 Budget request. The CDBG program is not well-targeted to the most distressed areas and has not demonstrated a measurable impact on communities. The Administration also believes that State and local governments are better positioned than the HOME program to comprehensively address the unique market challenges, local policies, and impediments that lead to housing affordability problems.
- **Other HUD Grant Programs.** The bill provides \$100 million for the Choice Neighborhoods program rather than eliminating it as was proposed in the FY 2021 Budget request. The Administration believes that State and local governments play a greater role in addressing community revitalization needs. The bill also provides \$829 million for Native American Programs, which is \$229 million above the

FY 2021 Budget request. The increased funding should be redirected to other Administration priorities.

The Administration would also like to take this opportunity to share its views regarding the following language provisions in the bill:

- HUD Continuum of Care. The bill includes language that would limit HUD's ability to modify its Homeless Assistance Program's Notice of Funding Availability for the Continuum of Care by enshrining and failing to update out-of-date funding criteria. Over the past year, HUD has worked to make meaningful changes to the funding notice to promote self-sufficiency, so that homeless individuals can quickly get off the streets and on their feet. The language would inhibit HUD's ability to continue to make progress on these goals.
- Government National Mortgage Association (GNMA) Commitment Authority. The bill provides \$550 billion in commitment authority for GNMA to guarantee mortgage-backed securities, which is substantially lower than the annualized amount of \$1.3 trillion in the continuing resolution through December 11. The Administration urges the Congress to provide \$1.3 trillion in commitment authority to ensure GNMA can continue to provide critical support for the mortgage market without disruption.