

INTENTION TO MODIFY RELEASE OF FUNDS FROM
THE EMERGENCY RESPONSE FUND

COMMUNICATION

FROM

THE DIRECTOR,
THE OFFICE OF MANAGEMENT AND
BUDGET

TRANSMITTING

NOTIFICATION OF THE INTENTION TO MODIFY THE NOVEMBER
9, 2001 RELEASE OF FUNDS FROM THE EMERGENCY RESPONSE
FUND



APRIL 15, 2002.—Referred to the Committee on Appropriations and
ordered to be printed

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EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, April 12, 2002.

Hon. J. DENNIS HASTERT,
Speaker of the House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: In furtherance of the provisions of P.L. 107-38, the Administration would like to notify Congress of its intent to modify the November 9, 2001, release of funds from the Emergency Response Fund (ERF). Originally, \$97.7 million of immediate ERF funding was transferred to the Nonproliferation, Anti-terrorism, Demining, and Related Programs (NADR) account, which is administered by the State Department's Nonproliferation Bureau, of which \$17.5 million was allocated to provide border security assistance to Uzbekistan (\$14.0 million) and the Kyrgyz Republic (\$3.5 million). These funds would provide new and/or upgraded helicopters, spare parts, support equipment, and training to improve border patrol and counter-terrorism capabilities.

After internal consultation, the Department of State now proposes to transfer the funds, from the NADR account to the Freedom Support Act (FSA) account. While both the FSA and NADR accounts fund border security and nonproliferation programs in the former Soviet Union, the FSA account is authorized to provide assistance to target specific issues in the Eurasian states, such as preventing drug trafficking and is better equipped to provide this assistance to Uzbekistan and the Kyrgyz Republic. This reallocation will also allow the agency to facilitate the execution through the U.S. Customs Service, the Executive Branch agent for similar assistance. The State Department will report to Congress, as required, concerning the use of the FSA funds "notwithstanding" authority to have the Customs Service procure foreign-origin helicopters and equipment/support that is similar to the equipment and training the Uzbeks and Kyrgyz already have in stock. This reallocation does not change the original intent for the expenditure of these funds, but merely reflects a more desirable administrative arrangement.

The Administration's primary concern is to ensure U.S. assistance is provided under the appropriate authority and is well-coordinated to prevent duplicative programs. Reallocation of these funds is intended to further this important goal.

Sincerely,

MITCHELL E. DANIELS, Jr.,
Director.

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