

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

June 28, 2024

The Honorable Mike Johnson Speaker of the House of Representatives Washington, DC 20515

Dear Mr. Speaker,

Earlier this year, the President and Congressional leaders came together to reach bipartisan agreements to both fund the Government for fiscal year (FY) 2024 and provide supplemental funding to address urgent national security needs, including to support America's allies Ukraine and Israel and deliver much-needed humanitarian assistance to impacted communities in Gaza and around the world. However, the Congress has yet to act on additional urgent requests the President put forward last October that would bolster border security and address urgent domestic needs, including disaster relief. I write today to reiterate the October request and submit revised estimates of an additional \$4 billion for certain disaster needs, including funding to help respond to the collapse of the Francis Scott Key Bridge in Baltimore, the devastating fires on Maui last summer, and tornado survivors in Iowa, Nebraska, Oklahoma, and throughout the Midwest. Particularly as we enter what the National Oceanic and Atmospheric Administration is describing as an "extraordinary" hurricane season, the Administration urges prompt congressional action on this request, including for the Federal Emergency Management Agency's (FEMA) Disaster Relief Fund (DRF), to ensure that we can uphold the Federal Government's responsibility to both rebuild from past disasters and respond to future events.

First, the Administration is asking the Congress to provide an additional \$3.1 billion in funding for the Department of Transportation's Emergency Relief Program (DOT-ER) on top of the amount included in the October request. The additional funding the Administration is requesting today would cover increased needs for repairing and rebuilding highways and roads that have been damaged in disasters and other emergencies across the Nation, including the cost of rebuilding the Francis Scott Key Bridge in Baltimore. The day the Francis Scott Key Bridge collapsed, the President made clear that the Administration would use the full force of the Federal Government to help the City of Baltimore every step of the way. Since then, the Administration has engaged in a significant rescue and salvage effort and worked to reopen the channel, marshalling a full range of Federal agencies led by a Unified Command in close collaboration with the State of Maryland. However, these efforts represent only the first stage of what will be a significant rebuilding effort, which is why I sent a letter to the Congress in April requesting the authorization of 100 percent Federal cost share for rebuilding the bridge, consistent with the response to past bridge collapses. This request comes alongside efforts to pursue all avenues to recover the costs of rebuilding, and consistent with long-standing DOT-ER practice, compensation for damages or any insurance proceeds which will reduce costs for the

American people. Providing these funds for DOT-ER, as well as additional resources to cover costs borne by the Department of Labor, United States Coast Guard, and Army Corps of Engineers as part of the Baltimore response, would ensure that the Federal Government fulfills its responsibility to rebuild Baltimore without endangering America's ability to respond to other recent or future disasters across the Nation. In addition, the Administration looks forward to working with the Congress on relieving tax penalties incurred by longshore workers at the Port of Baltimore who withdrew from their retirement plans due to the hardship of being out of work as a result of the bridge collapse.

In addition, we are asking for an additional \$700 million for the Community Development Block Grant Disaster Recovery (CDBG-DR) program. Since the fires on Maui last August, Federal agencies have supported State and local partners, cared for survivors, and begun the long recovery process. Since the submission of the October supplemental funding request, the Administration has been able to further evaluate the damage caused by the devastating fires. The increased request for CDBG-DR would not only help Maui rebuild, but also cover unmet needs resulting from other disasters declared in calendar year 2023. In particular, CDBG-DR would provide assistance to survivors of disasters declared in calendar year 2023 including severe storms in the South and Midwest (including Arkansas, Illinois, Indiana, Tennessee, Mississippi, and Florida), hurricanes in Florida and Georgia, flooding in Vermont, and Typhoon Mawar in Guam.

In addition to the revised estimates we are sharing today, the Administration is also reiterating the need for action on other items in the October supplemental requests, including for the DRF, child care stabilization funding, wildland firefighter pay, and the Federal Communications Commission's Affordable Connectivity Program (ACP). The Administration also continues to call for funding to replenish the DRF as it approaches a projected shortfall. Without additional funding, FEMA would be forced to pause recovery work around the Nation to ensure resources are available to support lifesaving and life sustaining activities and provide a reserve for initial response and recovery operations for a potential new catastrophic event. As disaster season unfolds, the Administration stands ready to work with the Congress on any necessary updated estimates. Evidence from economists, families, and child care providers affirms the precarious state of the child care sector and the need to bring down child care costs for working families. The Administration continues to ask the Congress to support 225,000 child care providers and the approximately 10 million children—and their families—who rely on them. The Administration also reiterates its request for funding for the ACP, to restore this popular program and ensure that 23 million families do not lose critical access to free and discounted high-speed internet.

In addition to the funding requested in the October supplemental for border security, the Administration reiterates its call on the Congress to support the toughest, fairest bipartisan border security agreement in decades, which would deliver significant policy changes, resources, and personnel needed to secure America's border and fix the broken immigration system. The Administration is also committed to working with the Congress to address the recent breach of the St. Mary Canal Siphon near Babb, Montana.

Since the need for this funding arises from unforeseen and unanticipated events, the Administration continues to request that the amounts in this supplemental request be designated as emergency requirements pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

I urge the Congress to take action as soon as possible, and the Administration stands ready to work with you to fund these urgent needs.

Sincerely,

Shalanda D. Young

Shalanda D. Yang

Enclosure